

United States  
Environmental Protection  
Agency

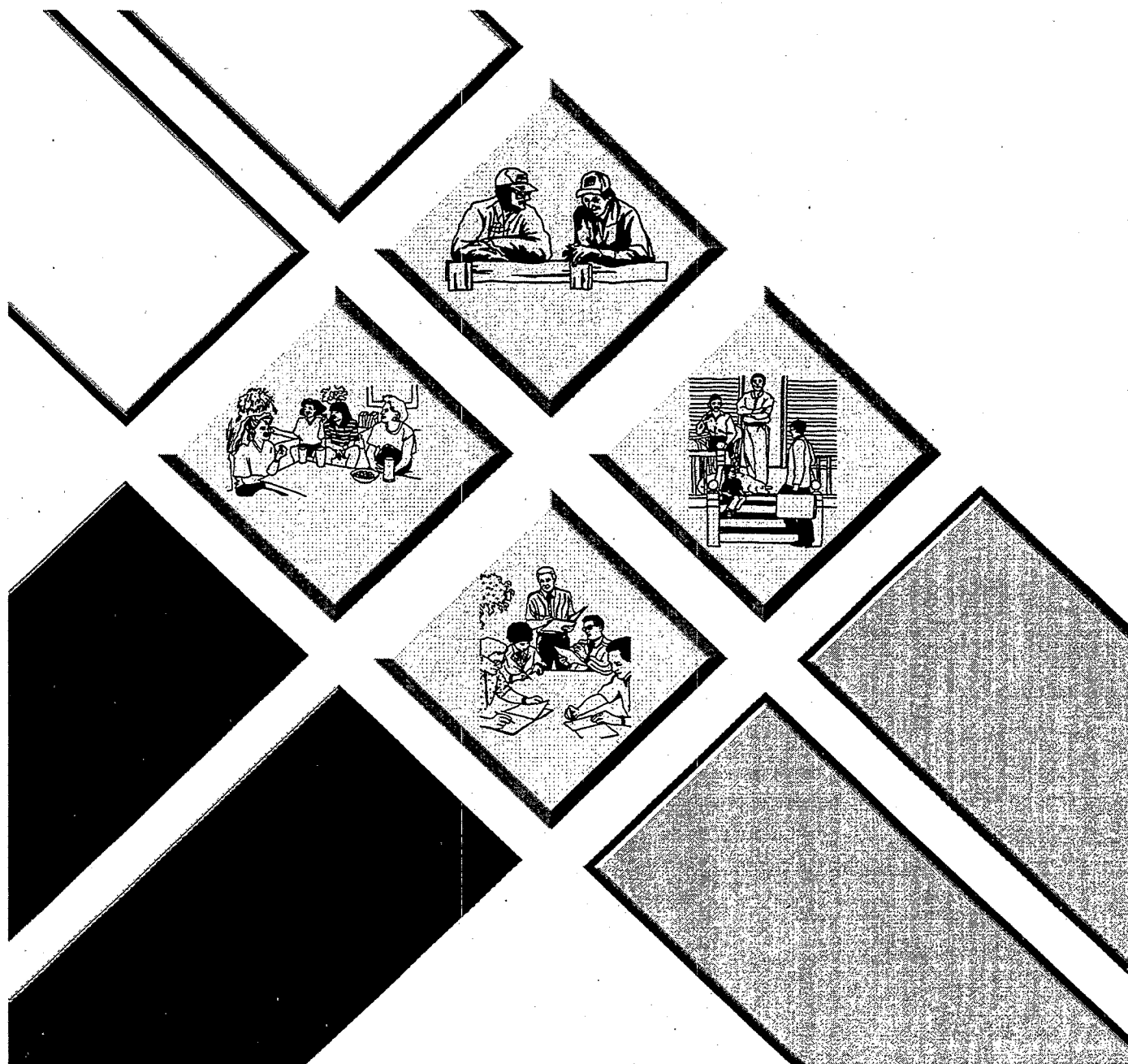
Solid Waste and  
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# Community Advisory Group Toolkit

## For the Community





# **Community Advisory Group Toolkit**

**Community Involvement and Outreach Center  
Office of Emergency, and Remedial Response  
U.S. Environmental Protection Agency  
Washington, D.C.**





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The U.S. Environmental Protection Agency (EPA) wants the public to participate in decision-making at Superfund and other sites with environmental problems. Early and direct public involvement results in better decisions on how to deal with environmental problems at these sites.

Forming a Community Advisory Group is one of the most effective ways a community can participate in environmental decisions. A Community Advisory Group is a committee, task force, or board made up of residents of a community with Superfund or other environmental problems. The Community Advisory Group enhances public participation in the cleanup process and other environmental decision-making by providing a public forum where community representatives can discuss their diverse interests, needs, and concerns.

## **The Community Advisory Group Toolkit**

This *Toolkit* is designed to provide a variety of information to help you set up your Community Advisory Group. The *Toolkit* has two parts:

- **Part 1** is a collection of "how to" information. It includes step-by-step information on organizing your Community Advisory Group and suggestions about some of the major things to consider as you do so.
- **Part 2** contains "tools"—such as outlines, forms, publications, and other materials—for use in establishing and maintaining your Community Advisory Group.

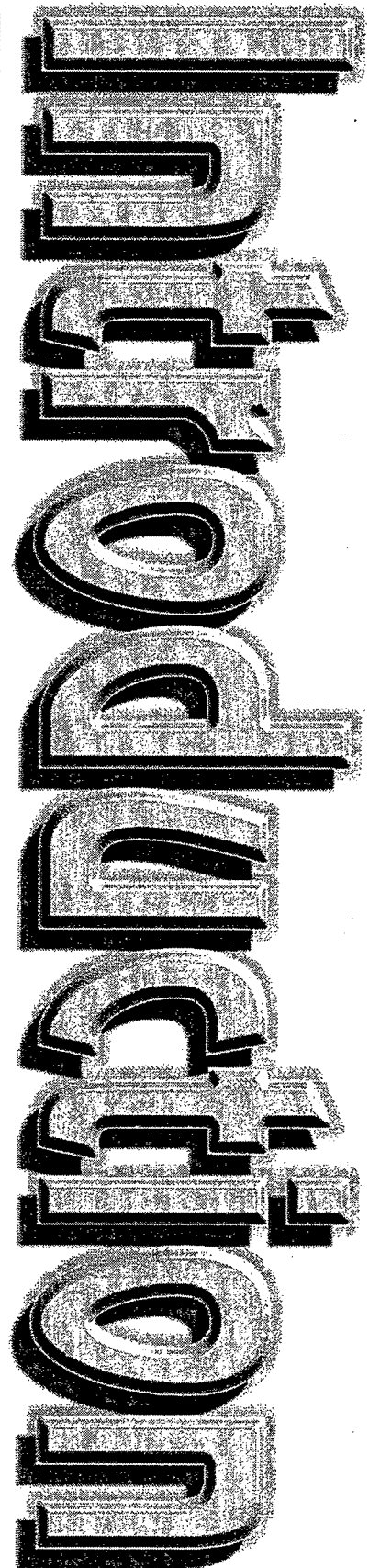
## **How To Use the Toolkit**

The "how to" information in Part 1 and the tools in Part 2 are cross-referenced to make the *Toolkit* easy to use. Each tool in Part 2 is numbered. Each tool is mentioned, where appropriate, in the "how to" information, and the tool's number appears in the bar at the bottom of each page in that section to guide readers to its location in Part 2 of the *Toolkit*.

Deciding which tools to use and in what order will depend on your Community Advisory Group's stage of development. Communities that are just beginning to consider forming a Community Advisory Group may choose to use all the materials in the order they appear in the *Toolkit*. Some Community Advisory Groups may find the materials focusing on how to incorporate, apply for status as a nonprofit organization, or find and apply for additional funding to be more useful immediately. The materials in the *Toolkit* may be used singly or in whatever combination makes most sense for your Community Advisory Group.

Wherever possible, additional sources of useful information, such as organizations, publications, and World Wide Web sites about the various topics are listed.

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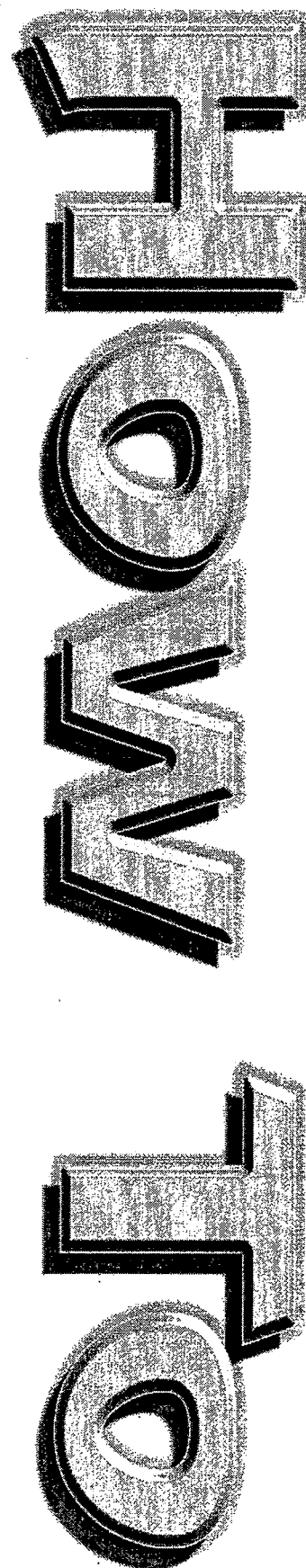




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## How To

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# Meet the Community Advisory Group



*The Community Advisory Group is a way for people in the community to actively participate in the decision-making process at sites with Superfund and other environmental concerns. Citizens who are part of Community Advisory Groups can learn more about their site, get up-to-date information about cleanup status, ask questions, and discuss community concerns with the U.S. Environmental Protection Agency (EPA), state and tribal agencies, and other parties involved in cleanup or addressing other environmental concerns.*

Full community participation and representation of all viewpoints are essential to the success of the Community Advisory Group. However, it is not practical for everyone in the community to be a member of the Community Advisory Group. The membership usually is made up of people who represent the various interests in the community. These may include residents or owners of residential property near the site, those who may be affected directly by site releases, those who may be affected by releases from the site, even if they do not live nearby or own property near the site, and environmental and other experts from local universities.

In addition to the community itself, a number of other groups are involved in making decisions about site cleanup and other environmental issues. These include the U.S. EPA and other federal agencies; state, tribal, and local government organizations; and facility owners and others who are potentially responsible for the contamination at the site. These groups work closely with the Community Advisory Group. In some cases, communities may choose to include representatives of local governments and potentially responsible parties as Community Advisory Group members.

## What Community Advisory Group Members Do

Membership on a Community Advisory Group involves making a major

commitment. Members must be prepared to devote considerable time and effort in order for the Community Advisory Group to be effective. While many citizens may be interested, only a few may be able to make the necessary commitment.

Members are responsible for learning about site issues. They attend and participate in all Community Advisory Group meetings and share information regularly with their fellow community members. Community Advisory Group members also review information concerning site cleanup plans and provide data and information to EPA on the community's issues and concerns about the site. A Community Advisory Group member from Texas summed it up well when she observed that anyone who serves as a member of a Community Advisory Group must be willing "to work a lot of nights, talking things over and figuring out what to do."

## What People in the Community Can Do To Help

Even if every citizen cannot be a member of the Community Advisory Group, *every citizen has an important role* in the site remediation process and can support the Community Advisory Group and its activities. One of the best ways to get involved in and support the Community Advisory Group is to attend its meetings and participate actively in discussions. People in the community can contribute to the work of the Community Advisory Group in other ways as well.

### ***Parents and Long-time Residents***

Parents and long-time residents can help the Community Advisory Group identify issues concerning children and the elderly, who are among the most vulnerable groups in a community. Long-time residents also can be excellent sources of historical information about the site, the surrounding community, and its residents.

### ***Community Organizations***

Community organizations, such as homeowner and neighborhood associations, tenant organizations, and senior citizens groups, can provide important support to Community Advisory Groups. Local Parent-Teacher Associations (PTAs) and school boards, for example, can help the Community Advisory Group work with the community's schools to inform and educate the residents about the site and about the cleanup process.

### ***Churches***

Churches provide excellent ties to residents and may be particularly helpful in reaching some economically disadvantaged residents. Many churches contribute financial support to worthwhile community projects and nonprofit organizations and may provide space for Community Advisory Groups to meet.

### ***Environmental Groups***

Local environmental groups can contribute their knowledge of environmental issues and their experience to the Community Advisory Group.

### ***Medical and Science Professionals***

Local medical and public health professionals can provide technical expertise on health-related issues; they may be the first to observe the potential for health effects in their patients. Scientists and engineers also can offer their expertise to review technical information.

### ***Business, Industry, and Banks***

Small businesses and local merchant or business associations can help get

information out to the community. These groups also may be willing to donate low-cost printing services, office supplies, meeting space, or even refreshments for Community Advisory Group meetings and other activities.

Major industries, large employers and large businesses can contribute goods and services to the Community Advisory Group. In fact, they often are eager to be "good corporate citizens" by supporting worthwhile community projects. Large companies and industrial plants may have technical experts who will donate expertise or services on a pro bono basis.

Many local public utility companies have active community relations programs with significant budgets for supporting community projects. Some utility companies encourage their employees, including engineers and other technical experts, to volunteer their time to support community activities such as Community Advisory Groups.

Banks may be willing to underwrite some Community Advisory Group operations and to support activities that, in effect, protect their investments in the community.

## **What Others Involved in Environmental Cleanup Can Do**

The other groups involved in addressing environmental issues can support the Community Advisory Group in several ways.

### ***State, Tribal, and Local Governments***

In some cases, the city or county government may provide administrative support for the Community Advisory Group. Some local governments also may provide funding for activities or events sponsored by the Community Advisory Group.

Representatives of state and tribal agencies often work closely

with federal and local officials and may attend Community Advisory Group meetings on a regular basis. Some states also may have programs that would provide funds for Community Advisory Group functions, such as hiring technical advisors.

Local elected officials can bring Community Advisory Group issues before their councils, boards, and commissions. They often know of other programs and funding sources that Community Advisory Groups can contact for additional resources and expertise.

### ***U.S. EPA***

As the federal regulatory agency responsible for hazardous waste remediation, U.S. EPA can work closely with Community Advisory Groups. EPA Regional Office staff can attend Community Advisory Group meetings to provide information about cleanup plans and activities and to discuss community questions and concerns. EPA also provides information and other tools to assist communities in establishing Community Advisory Groups and actively participating in the decision-making process.



# Tips for Involving Hard-To-Reach Segments of the Community

*Participation by all segments in the community is important to the success of a Community Advisory Group. Sometimes, communities may need to take special steps to ensure that all citizens can participate. This is especially true in communities with low-income and minority populations. Involving citizens from these groups not only helps promote full community involvement, but also can give the Community Advisory Group more power to raise environmental justice issues with potentially responsible parties.*



People in low-income and minority groups often do not feel fully accepted as members of the community as a whole. They may feel the government, the media, and civic organizations do not care about them even if the rest of the community sees it differently. These segments of the community may be reluctant to join in civic activities, including Community Advisory Group activities, even though they have been affected by environmental hazards more than others.

To encourage these citizens to work with or participate actively in the Community Advisory Group, carefully consider how to reach and communicate effectively with each individual group.

## Encouraging Participation as Members of the Community Advisory Group

Listed below are some ideas to help your community seek out hard-to-reach groups and encourage them to participate in the Community Advisory Group:

- **Learn more about the low-income and minority residents in your community.** Don't assume anything. Start by asking others in the community for help. Ask where low-income families or minority residents go for information, what people or organizations they trust and listen to. Then, ask these people

for advice. Listen to what they say and be willing to act on their recommendations.

- **Start early and build partnerships with community activists and organizations.** Ask for a meeting to discuss the hazards faced by their community. Explain how the Community Advisory Group will work and how important their participation is to the residents they represent and to the overall environmental goals of the Community Advisory Group.
- **Consider holding a special meeting with low-income, minority, and other hard-to-reach groups.** Be willing to take important information to the people who need it. This is particularly helpful at the beginning of the Community Advisory Group process to explain the problems the Community Advisory Group will be working to solve and to encourage these stakeholders to participate. Consider co-sponsoring a meeting with a trusted community group that supports the work of the Community Advisory Group. Schedule the meeting at a time convenient for most members of the community to attend. Avoid schedule conflicts with other community or cultural events. **Presentation materials that may be useful in describing the Community Advisory Group during these**

meetings is included in Part 2 of the *Toolkit* for your convenience.

- **Make a long-term commitment.** Don't expect instant acceptance. Build a relationship with the individuals and groups you contact and plan to continue working with them for a while. Be patient and respect each organization's decision-making process. Understand you will have to build credibility first, and that can take time.

## Communicating Effectively about the Community Advisory Group's Work

Everyone in the community cannot be a member of the Community Advisory Group and may not be able to attend all the meetings. But all citizens, especially low-income and minority residents, have a stake in solving the community's environmental problems. And every citizen's support is needed for the Community Advisory Group to do its job effectively. As a result, keeping all residents informed about the work of the Community Advisory Group is very important.

Listed below are some tips for making sure information from the Community Advisory Group gets to low-income, minority, and other hard-to-reach residents in your community.

- **Set up a Community Advisory Group Outreach Committee.** Have the Committee look for the best ways to communicate with the community as a whole. This demonstrates the Group's commitment to working with all parts of the community.
- **Promote community empowerment.** Stress that each person has a voice, and that

every person can make a difference by working together to solve community problems.

- **Remember the "messenger" can be as important as the message.** People are more likely to listen to people and groups they already know and trust. A word from the minister on Sunday can be worth more than a story on the TV news. A flyer received from a trusted friend has instant credibility; the same information sent through the mail or received from a stranger might not.

- **Use the networks the community already trusts.** Churches can be very effective in reaching various groups in the community. Community action agencies in most counties are experts at outreach to low-income families. Community health clinics, English-As-A-Second-Language programs, Boys and Girls Clubs, senior centers, and Head Start programs are excellent ways to reach low-income, minority, and other hard-to-reach stakeholders in many communities.

- **Be culturally sensitive in preparing information to be distributed.** Avoid stereotypes. Use language that people can understand, and don't talk down to people. If you prepare material that includes illustrations or photos, make sure they include people of different ethnic and racial backgrounds, in different age groups, and with disabilities, as appropriate.

- **Distribute information in several ways.** Do not rely on a single organization, newspaper, radio station, or group for getting important information out to community

residents. Use them all. This helps make sure everyone has a chance to get it.

- **Enlist help from community organizations for translations.** If there is a significant foreign-language group in your area, there probably is at least one community-based organization that works on community issues affecting these residents. Contact the group and ask someone to provide input for, review, and help translate your materials.



*A Community Advisory Group is a committee, task force, or board comprised of residents of a community with Superfund or other environmental problems. This Community Advisory Group enhances public participation in the cleanup process and other environmental decision-making by providing a public forum, where representatives of diverse community interests can discuss their needs and concerns. This section provides a checklist of initial steps that will help you form a Community Advisory Group. The sections that follow provide more detail on several of the steps outlined here.*

## **LET'S GET STARTED!**



### **Forming a Community Advisory Group**

Community Advisory Groups may be formed at any point in the environmental cleanup process. However, they are most effective when formed early, allowing the community more time to participate in and have an impact on site activities and decisions. While EPA can provide ideas and assistance, it is up to community residents to decide if and how they want to form a Community Advisory Group.

Generally, a core group of community residents with a strong interest in environmental issues takes the lead. Some communities build their Community Advisory Group from an existing framework, while others start their groups from scratch. In certain situations, local governments take steps to form Community Advisory Groups.

The process often begins with a well-publicized Community Advisory Group Information Meeting. This meeting is held to discuss the purpose of a Community Advisory Group, opportunities for membership, and terms for participation. **Presentation materials, which**

**you may want to use in describing the Community Advisory Group at meetings with others in the community, are included in Part 2 of this Toolkit for your convenience.**

### **Choosing a Name**

Decide what you will call your group. A Community Advisory Group may be called a committee, a task force, a board, or an action group. You may choose to include the words "Community Advisory Group" in your name, but it is not required. For example, the Community Advisory Group at the Oronogo-Duenweg Mining Belt Site in Jasper County, MO, calls itself the "Jasper County EPA Superfund Citizens Task Force." The name you choose should reflect your community's vision for the group.

### **Writing a Mission Statement**

One of the first steps in forming a Community Advisory Group is writing a mission statement. A mission statement is a short, to-the-point description of the overall goals and purposes of an organization.



A written mission statement can be distributed and discussed easily. It helps keep the community informed and educated about the Community Advisory Group and provides a way to get community feedback at any point in the process. Be willing to revise the mission statement as issues and community concerns change.

## Determining Operating Procedures

Establishing a basic structure for how the Community Advisory Group will do its work is another important first step. Making these structure decisions early allows members to focus on other issues. Issues requiring immediate attention fall into two categories, short-term and long-term. Examples of two short-term issues are choosing a name and determining how many members should be on the Community Advisory Group. Examples of more long-term issues are determining how often to hold meetings, how to ensure diverse community participation, and how to make necessary decisions.

## Developing Effective Communications

It is important to decide how Community Advisory Group members will communicate with each other. Decide how members will be reminded of upcoming meetings and how far in advance notice will be given. Will members receive an

agenda in advance? Will they receive minutes, a record of what happened, after the meeting? How will they communicate with each other about issues that arise between scheduled meetings?

It also is important to determine how the Community Advisory Group will communicate with the community at-large. How will meetings be announced and how will information be shared with the general public? You may want to set up an Outreach Committee to look for the best ways to keep the community at-large informed.

It is a good idea for each Community Advisory Group to appoint one member to act as a spokesperson to the media. The spokesperson would be responsible for coordinating the release of information about the Community Advisory Group and answering calls from reporters.

It also is helpful to determine the most important organizations you need to work with and select a liaison for each organization. These might include schools, businesses, environmental groups, or other concerned groups in the community.

## Incorporating and Securing Tax-Exempt Status

There are a variety of organizational structures for Community Advisory Groups. Before deciding which structure to use, consider the following questions: Will your Community Advisory Group have a board of directors? Is it necessary to develop a charter and written bylaws? How will the organization be funded? What actions must be taken to ensure the organization can receive and disperse funds?


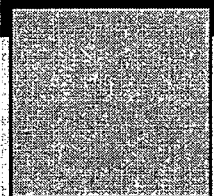


Your Community Advisory Group could exist for a long time, in some case several years. As a result, you need to consider

whether to incorporate or secure tax-exempt status. It may be necessary to do both in order to qualify for certain types of government funding or to receive contributions or donations from some sources.

## Working with U.S. EPA

In order to work effectively with EPA, it is important to understand how your concerns and the information you provide about the community's interests will be transmitted within the Agency. It's a good idea to meet with the Community Involvement Coordinator from your EPA Regional Office to discuss the flow of information between the Community Advisory Group and the EPA Regional Office staff who will be working with you. In general, the EPA Community Involvement Coordinator will be your primary point of contact. He or she will answer questions and provide other assistance directly as well as see that your concerns and other issues are transmitted to other Regional Office staff who can help. For example, if your site is a Superfund site, the Community Involvement Coordinator would pass





information on to the EPA Remedial Program Manager.

## **Additional Resources**

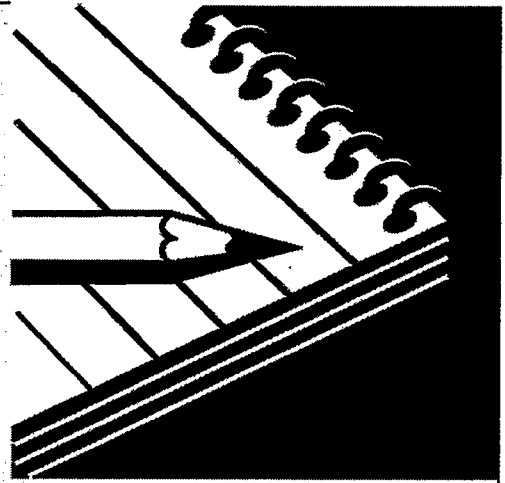
The National Center for Nonprofit Boards (NCNB) is a national nonprofit organization dedicated to increasing the effectiveness of nonprofit organizations by strengthening their boards of directors. Visit NCNB's World Wide Web site at [www.ncnb.org](http://www.ncnb.org) or call 800-883-6262.

The nine-part *Nonprofit Management Series* is available from Independent Sector Publications. Some of the individual publications in the series that may be of interest to Community Advisory Groups are: *The Role of the Board and Board Members* (#1); *Finding, Developing, and Rewarding Good Board Members* (#2); *Operating Effective Committees* (#3); *Conducting Good Meetings* (#4); *Fundraising* (#7); and *Budgeting and Financial Accountability* (#8). Cost: \$5.00 each for individual publications, \$35.00 for the nine-volume set, plus postage and handling. Call Independent Sector Publications at 301-490-3229 for more information or write to them at Independent Sector Publications, P.O. Box 451, Annapolis Junction, Maryland 20701.



*A mission statement is a short, to-the-point description of the overall goals and purposes of an organization. The mission statement brings a clear focus to an organization, allowing members to see how their actions support the goals and purposes of their organization.*

# Writing a Mission Statement



## Developing the Mission Statement

There are four primary questions Community Advisory Groups must answer in writing a mission statement:

- What function does the Community Advisory Group perform?
- For whom does the Community Advisory Group perform this function?
- How does the Community Advisory Group go about filling this function?
- Why does this Community Advisory Group exist?

### What

Choose the areas that are particularly important to the Community Advisory Group—the ones you are willing to stand behind until a solution is found. If a particular type of remedial action is not the best choice for your community, then one function of the Community Advisory Group might be to bring other remedial options to the discussion table.

### Who

Identify who the Community Advisory Group represents and the primary concerns of the community. This might

include identifying the ages, incomes, and ethnic groups in the community.

### How

List how the Community Advisory Group can achieve its goals. Is the Community Advisory Group's function to educate the public? Solicit opinions? Monitor the hazardous waste cleanup process? Others?

### Why

Identify why the Community Advisory Group will perform the functions it has selected. List these driving forces and rank them to help you allocate resources and determine the direction your Community Advisory Group will take.

## Writing the Mission Statement

You are now ready to put the mission statement on paper. Write a statement in one sentence or a short paragraph that answers the what, who, how, and why questions from above. Then list a set of specific priorities for the Community Advisory Group. Discuss the statement and priorities, making adjustments until all members feel comfortable and agree on the Community Advisory Group's mission statement and priorities.

## Examples of Community Advisory Group Mission Statements

Following are examples of the mission statements developed by four Community Advisory Groups around the country. They may be helpful references as you develop the mission statement for your Community Advisory Group.

### **EPA Community Advisory Group, Brio Refining, Inc., Superfund Site (Harris County, TX):**

To provide community input into the conduct of the Focused Feasibility Study to ensure the remedy for the Brio Superfund site is protective of human health and the environment and is implemented in a timely manner.

### **Jasper County EPA Superfund Citizen's Task Force (Jasper County, MO):**

This Task Force is to: Develop a process to gather early, direct, and meaningful comments; serve as a public forum for community interests to present and discuss their needs and concerns related to the Superfund decision-making process with appropriate federal and state agencies; Provide a public service to the rest of the community by representing the community in discussions regarding the site and by relaying information from the discussions back to the rest of the community; Participate in the decision-making process.

### **Southern Maryland Wood Treatment Plant Task Force (Hollywood, MD):**

To establish a single and complete source of all available documentation and background material; serve as the official point of contact with federal EPA and state DOE agents; develop a public information mechanism for rumor control and apprehension retardant; perform technical analyses and reviews of reports and proposals; submit recommendations to the Board of County Commissioners for formal action plans by county government; review available literature and propose alternative courses of action for EPA consideration.

### **Carolawn Superfund Site Community Advisory Board (Chester County, SC):**

To ensure that the community will be included in the proper and complete cleanup of the Carolawn Superfund Site, the Community Advisory Board will be educated, aware and informed and will serve as an intermediary between EPA, South Carolina Department of Health and Environmental Control (SCDHEC), site response contractors and the community at-large.

## **Presenting the Mission Statement to the Community**

It is important that the Community Advisory Group mission statement is understood by and acceptable to the diverse segments of your community. Make copies of the mission statement and distribute them to the community. Provide an opportunity to discuss the Community Advisory Group and its mission statement at a public meeting.

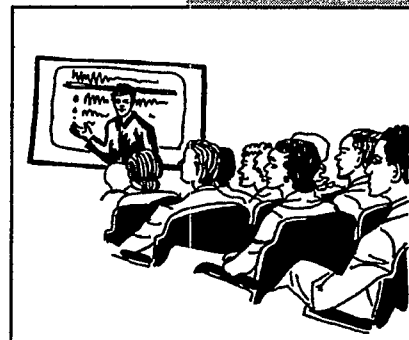
Be willing to revise the mission statement over time, as issues and community concerns change.

## **Additional Resources**

Information in this fact sheet is based in part on information in *Applied*

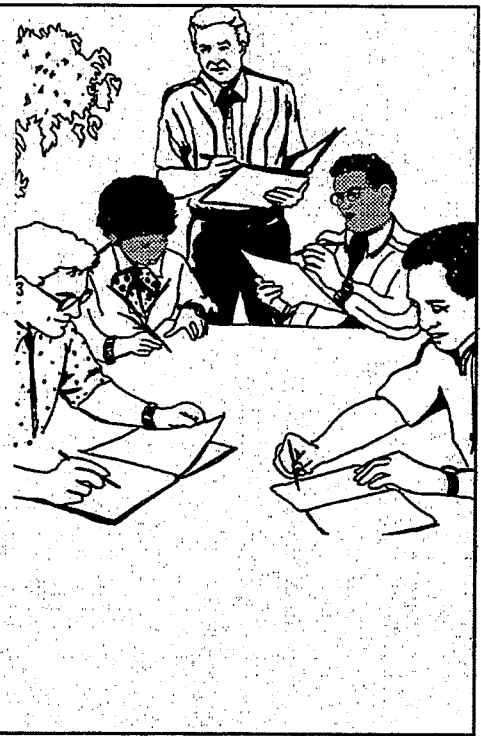
*Strategic Planning: An Introduction* by Leonard D. Goodstein, Timothy M. Nolan & J. William Pfeiffer (San Diego: Pfeiffer & Company, 1992.) To obtain a copy, write or call Pfeiffer & Company, 8517 Production Avenue, San Diego, California 92121-2280. Phone: 619-578-5900 Fax: 619-578-2042. Cost information unavailable.

*Best Practices of Effective Non-profit Organizations: A Practitioner's Guide* is available from The Foundation Center, 79 Fifth Avenue, Department JJ, New York, New York 10003-3076. Cost: \$29.95, plus postage and handling. For more information or to order by phone, call 1-800-807-3677.



*Written operating procedures spell out how the group will be organized, how it will make decisions, resolve disputes, communicate, and conduct business. Developing operating procedures provides the basic structure for how the Community Advisory Group will do its work and promotes organizational continuity over time. It is a good idea to make these basic structure decisions early.*

# Developing Operating Procedures



## Choosing a Name

One of the first things to consider is what you are going to call the Community Advisory Group. Some communities choose the name Community Advisory Group while others call themselves task forces, boards, or action groups.

## Membership

How many people do you want on the Community Advisory Group? Most Community Advisory Groups have 12 to 20 members, but consider what size group will work well for you. Do you want a board? If so, how will the board be selected (for example, by nominating committee, survey, or another method)? How will you ensure the Community Advisory Group represents all interests?

## Leadership

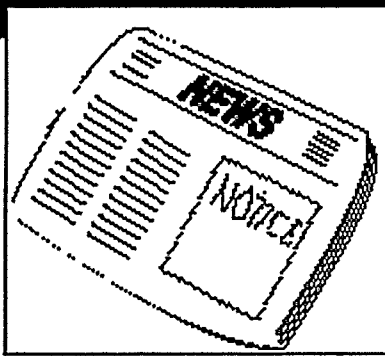
Will you have a chairperson, co-chairpersons, or an executive board? How will leadership be selected? For

how long will individual leaders serve? What will be the duties and responsibilities of the Community Advisory Group leaders?

## Meetings

Determine how often the Community Advisory Group will meet and the procedures for announcing and publicizing meetings. Select a meeting place that is convenient and neutral. You may want to vary the meeting time and meeting days to enable all community residents to attend several meetings.

Be sure the Community Advisory Group meets often enough to maintain interest and momentum, but not so often that meetings become non-productive or irrelevant. Some Community Advisory Groups meet on a regular monthly or bimonthly basis, and allow for additional meetings as issues arise. Decide whether the entire community should be invited to all the meetings. For example, the Community Advisory Group may meet monthly, with an entire community meeting each quarter.



You also will want to decide what rules of procedure to use to guide your meetings. *Robert's Rules of Order* has long been the definitive source on parliamentary procedure. *Cannon's Concise Guide to Rules of Order* is another, and there are others, but *Robert's Rules* is, by far, the most widely used guide.

## Resolving Issues

Determine how to resolve issues within the Community Advisory Group. Will issues be resolved by consensus or majority rule? Set out a decision-making strategy, a process for setting agendas, taking minutes, and for setting ground rules to live by.

## Example of Operating Procedures

☛ A guide for developing operating procedures is included in Part 2 of this *Toolkit* for your convenience. Although there are many questions to be considered in formulating them, operating procedures do not have to be long or complicated. Following is an example of the Operating Procedures for the Carolawn Community Advisory Board (CAB) in Chester County, SC:

The duration of the Community Advisory Board will be three years, with renewal every three years unless the majority votes to discontinue. The

CAB will meet no less than once every three months. The Board will consist of 15 members. Any member that misses two consecutive meetings will be replaced. Members will serve for a term of three years.

## Additional Resources

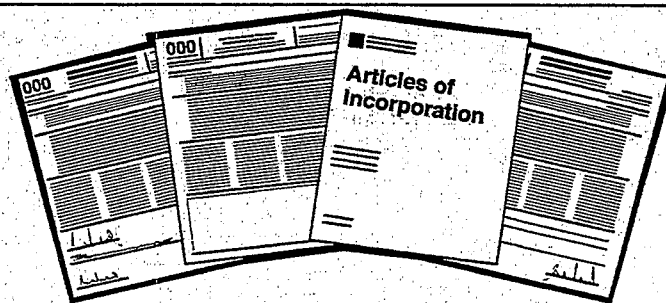
*Robert's Rules of Order* is available from a variety of publishers in a variety of editions ranging in price from \$4.50 to \$30.00. Check any bookstore or library for more information.

H. Cannon, *Cannon's Concise Guide to Rules of Order*, (New York: Houghton-Mifflin, 1995), Cost: \$9.95.

Marjorie M. Cann, *Point of Order: A Ready Reference of Simple Rules and Parliamentary Procedure*, (New York: Putnam Publishing, 1993). Price information unavailable.



*This section provides information to help you determine if your Community Advisory Group should incorporate. This information will help you get started in considering the broad issues involved, but it is not a substitute for getting advice from legal and financial specialists to ensure that you make the most effective decisions for your Community Advisory Group.*



# ***Incorporating Your Community Advisory Group***

## **What Is Incorporation?**

Incorporation is a process through which an organization is granted legal status and is recognized as an entity under state law. An incorporated organization has the legal right and power to enter into contracts, own property, borrow money, and mortgage its property. It continues to exist legally, even if the founders, officers, or directors change.

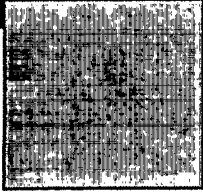
## **What Does Incorporation Mean for Your Community Advisory Group?**

By incorporating, your Group adopts a widely recognized structure and certain operating procedures required by state law. In addition, if you incorporate, it is important to identify your Group as a *nonprofit* organization.

The process for incorporating varies from state to state. Consult the corporate law of your state government for the specific requirements and steps you must follow.

## **Advantages of Incorporating Your Community Advisory Group**

One of the most important advantages of incorporating as a nonprofit organization is that it can help your Group qualify for financial assistance from federal, state, public, or private sources. For example, Groups formed at Superfund National Priorities List (NPL) sites must be nonprofit corporations to be eligible for an EPA Technical Assistance Grant (TAG). This grant provides funds for hiring an independent adviser who can offer independent technical advice and expertise to help the Community Advisory Group participate in the decision-making process. **See the section on "Community Advisory Groups and Technical Assistance Programs" for more information.**



Incorporating also has other advantages. For example, banks and other financial institutions often view nonprofit corporations favorably. Incorporation also shields officers, board members, and the employees of a corporation from liability from debts incurred by or legal judgments against the corporation. Consult an attorney for more information on the legal and financial benefits of incorporating your Group as a nonprofit organization.

## Legal and Financial Implications for Community Advisory Group Officers and Board Members

The corporate laws in each state include provisions defining the responsibilities and obligations of the corporation's officers and directors. Directors and officers of a corporation have a legal duty to the corporation. They may not mix their personal affairs with those of the corporation or act in a way that is detrimental to it.

Corporate bylaws must designate an officer or employee responsible for financial reporting and tax payment. That individual can be held personally responsible if he or she fails to file or pay taxes. Consult the corporate law of your state for additional information.

**Incorporating your Community Advisory Group as a nonprofit**

**organization does not exempt the Group from taxation.** The Group must file a corporate tax return (U.S. Internal Revenue Service *Form 1120*) with the federal government, *even if it takes in no revenue.* The only nonprofit corporations that do not have to file a corporate tax return are those that are recognized by the U.S. Internal Revenue Service (IRS) as "tax-exempt." Filing for tax-exempt status is a separate process. See the section on "Securing Tax-Exempt Status" for more information.

Most states also require nonprofit corporations to file corporate income tax returns, even if the nonprofit corporation has no revenue. Some states impose a minimum tax on any corporation, even a nonprofit one, that is not recognized as tax-exempt by the IRS. Not all states impose a minimum tax. Requirements and definitions vary widely among the states, so it is important to find out what your state requires.

## Procedures for Chartering a Nonprofit Corporation

Setting up a nonprofit corporation is similar, but not identical, to incorporating a for-profit business. While the specifics vary by state, following are some general rules:

### • *Arranging for Incorporators*

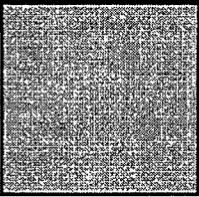
The people who will sign their names to the legal documents creating the corporation are called the "incorporators." Some states require a specific number of incorporators. States usually require that incorporators be adults (at least 18 or 21 years old depending on the state) and that a

majority be citizens of the United States. The incorporators are recognized as the founders of the corporation.

### • *Selecting a Board of Directors*

The incorporators must establish a board of trustees or directors. The minimum number of directors (usually three) is specified by law. Again, legal qualifications are minimal: directors usually must be adults under state law, and some or all of them must be U.S. citizens. Incorporators may be named as directors at the time of incorporation but are required to serve only until the first annual meeting of the corporation. At this meeting, additional directors may be elected or a new board may be selected.





- ***Drafting Articles of Incorporation***

The prescribed format for Articles of Incorporation is set out in state corporate law. Generally, these laws require that the Articles of Incorporation include:

- the title and number of the state law that governs incorporation of a nonprofit organization (available from the state's Secretary of State);
- the name of the organization to be incorporated;
- a statement of the purpose (mission statement) of the organization, indicating the charitable, educational, social, religious, or other beneficial, nonprofit goal the corporation intends to achieve and stating that financial gains from the corporation's activities will not be distributed as dividends or profit shares to directors, officers, or members of the organization;
- the location of the corporation's office, the place from which activities will be directed and where records will be kept;
- names and home addresses of people named as directors;

- a statement that incorporators meet whatever requirements are stipulated in the state's corporation law; and
  - signatures and addresses of the incorporators (signatures may have to be notarized). Additional legal statements may be required by some states.
- ***Filing the Certificate and Fee Payments***

The Articles of Incorporation, other required documents, and filing fees must be submitted to the state agency responsible for granting corporate charters. In most states, this is the Secretary of State, state corporation commission, or a similar agency.

- ***Notice of Acceptance and Filing***

The appropriate state agency will acknowledge by mail receipt of your application. As soon as this certificate is issued, the corporation legally exists and can start operating.

and business affairs. Telephone numbers for these offices often are listed in the "State Government" section of your local telephone directory or are available in public libraries.

The appropriate state agency will provide information on state laws governing incorporation, and tell you how to obtain legal forms and complete requirements for filing them.

2. Define the purpose of the corporation.

Writing a mission statement provides the basis of the organization's charter as a nonprofit corporation. This statement is essential for establishing the organization's identity as a nonprofit corporation.

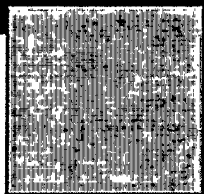
3. Complete forms and draft other required documents.

- Arrange for incorporators
- Select a board of directors

## **Steps for Incorporating a Community Advisory Group**

1. Contact the state agency responsible for incorporation of nonprofit organizations.

In most states, the corporate division of the Secretary of State is responsible for incorporation of nonprofit organizations. Other states have corporate commissions, or maintain corporate divisions in departments regulating commerce



- Draft a constitution or set of bylaws
- Draft Articles of Incorporation
- Draft other required documents

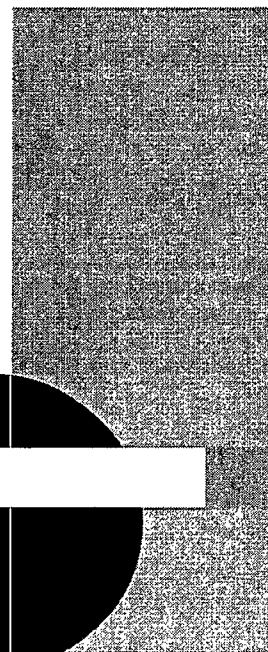
It is a good idea to retain an attorney to help prepare and file your corporate charter, or review your application package before you submit it to the state.

4. Submit paperwork and required fees to the state's incorporating agency. Required fees vary from state to state, but generally they are less than \$100. In some states, fees are considerably lower. Check with the state's incorporating agency, a local certified public accountant, or your attorney to find out the applicable fees in your state.

The incorporating agency eventually will return a certified copy of the certificate of incorporation. Once this certificate is issued, the corporation is in business and can begin operating.

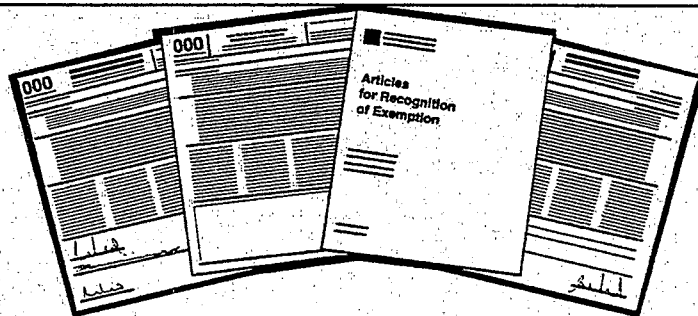
### **Additional Resources:**

Ted Nicholas, *The Complete Guide to Nonprofit Corporations: Step-by-Step Guidelines, Procedures and Forms to Maintain a Nonprofit Corporation* (Chicago:Enterprise-Dearborn, 1993). Cost: \$19.95.



*This section provides information to help you consider whether your Community Advisory Group should seek tax-exempt status. It complements the information about incorporation in the previous section. While this information will help you get started in considering the broad issues involved, it is not a substitute for getting advice from legal and financial specialists.*

## **Securing Tax-Exempt Status**



### **What is Tax-Exempt Status?**

Section 501(c) of the U.S. Internal Revenue Code exempts from taxation certain types of organizations that serve a special and useful purpose. Virtually all nonprofit corporations, except churches and church-related groups, must apply to the IRS for recognition of their tax-exempt status. Unless they obtain tax-exempt status from the IRS, nonprofit corporations must file a corporate tax return (IRS Form 1120) with the federal government each year, even if the group takes in no revenue.

It also may be necessary to file applications with state and local authorities to obtain exemption from state and local taxes; however this designation usually is automatic based on the IRS ruling.

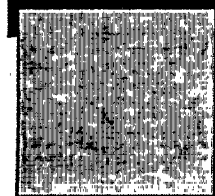
### **Advantages of Tax-Exempt Status**

There are several distinct advantages to securing tax-exempt status from the IRS:

Once tax-exempt status is formally recognized by the IRS, the income and assets of the nonprofit corporation are free from federal taxation and, usually, from state and local taxation, too.

Certain classifications of tax-exempt status provide the nonprofit corporation with legal authority to accept contributions, and permit contributors to deduct their donations from income tax.

A tax-exempt, nonprofit corporation also may apply to the U.S. Postal Service for a special permit for lower-rate postal privileges.



## Tax-Exempt Classifications Under the Internal Revenue Code

Section 501(c) of the Internal Revenue Code includes more than 20 classifications of organizations eligible for tax-exempt status. Most of them do not pertain to Community Advisory Groups. The most appropriate classification for Community Advisory Groups is designation as a charitable organization as defined under Section 501(c)(3) of the Internal Revenue Code. This classification allows the organization to solicit financial support from the public and to receive government grants and support from public and private foundations.

Nonprofit corporations must meet several standards to qualify for tax-exempt status under Section 501(c)(3):

- The organization must organize and operate exclusively for one or more of the special purposes specified under Section 501(c). These include religious, educational, charitable, scientific, or literary purposes; testing for public safety; or other specific purposes outlined in the law.
- None of the net earnings or revenues of the organization can be distributed for the private benefit of individuals or shareholders.

- The organization cannot engage in lobbying (defined as attempting to influence legislation) as a substantial part of its activities.
- Participation in political campaigns or on behalf of any candidate is strictly prohibited.

A nonprofit corporation must provide evidence that it meets these criteria in its bylaws and Articles of Incorporation. It also must demonstrate that the eligibility criteria are met by documenting its actual operations and activities in annual filings with the IRS.

## How To Secure Tax-Exempt Status for Your Community Advisory Group

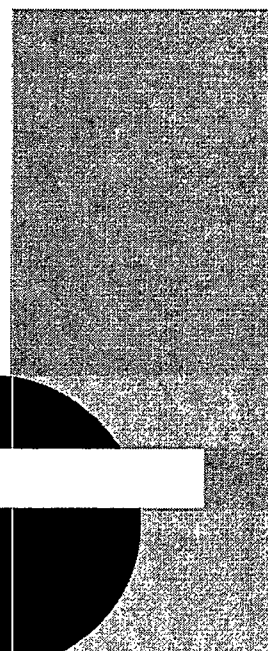
To obtain tax-exempt status, it is necessary to apply to the Internal Revenue Service for an advance (temporary) or a definitive (permanent) ruling.

**Advance Ruling:** If your Community Advisory Group is just getting off the ground, you may seek an advance ruling from the IRS, which grants temporary tax-exempt status that is valid for two or three years, while you get organized. In your application, the IRS will require you to describe the operations of your nonprofit corporation in sufficient detail to allow them to determine if the proposed activities clearly will meet the requirements for tax exemption. The application form provides space to describe the activities the Community Advisory Group anticipates, its sources of funding, and the kinds of expenditures expected.

During the time covered by the advance ruling, the organization is considered a tax-exempt organization and is expected to demonstrate by its record that it is operating in a way that

meets IRS requirements for charitable organizations under Section 501(c)(3). Then, you can apply for a definitive (permanent) ruling. If the organization's record during the period of the advance ruling does not support its claim, it will be held liable retroactively for some taxes, although income from contributions during that time will not be affected.

**Definitive Ruling:** If your Community Advisory Group has been in operation for several months, you may apply for a definitive ruling, which grants permanent tax-exempt status. In your application, the IRS will require you to supply detailed information about your organization's operations to demonstrate that it meets the eligibility requirements enumerated under Section 501(c)(3).





## Procedure for Securing Tax-Exempt Status for a Community Advisory Group

1. Obtain the required forms from the IRS.

You will need IRS *Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*. A copy of this form and the IRS instructions for applying are provided in Part 2 of this *Toolkit* for your convenience.

Your Community Advisory Group also must have an Employer Identification Number (EIN) whether or not it has employees or plans to hire any. You can file IRS *Form SS-4, Application for Employer Identification Number*, at the same time you file an application for tax-exempt status. A copy of this form and the IRS instructions on how to complete it are provided in Part 2 of this *Toolkit* for your convenience. In most cases, you can submit applications by mail and by facsimile (FAX). The IRS Office in your area can provide the local FAX number.

2. Define the purpose of the organization.

A written mission statement is essential for establishing the organization's identity as a nonprofit corporation and obtaining tax-exempt status under federal and state law. For the purposes of qualifying for tax-exempt status, the statement should include:

- Information on how the organization will meet the eligibility criteria to qualify for tax-exempt status under Section 501(c)(3), that is, how it will organize and operate exclusively for one or more of the special purposes specified under Section 501(c);
- A statement that no part of the net earnings or revenues of the organization will be distributed for the private benefit of individuals or shareholders; and
- A statement that the organization will not engage in lobbying (defined as attempting to influence legislation) as a substantial part of its activities, and will not participate in any way in political campaign activities.

IRS *Publication 557, Tax-Exempt Status for Your Organization* provides useful information for drafting this statement.

3. Submit necessary forms and supporting documents to the IRS for tax-exempt status. Submit your IRS *Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code*, and IRS *Form SS-4, Application for Employer Identification Number* to the

appropriate IRS Regional office. Be sure to include all necessary supporting documents.

It is always a good idea to have an attorney or accountant help prepare your application or review the documents before you submit them to the IRS.

## Additional Resources:

U.S. Internal Revenue Service *Publication 557, Tax-Exempt Status for Your Organization*. FREE. Find the address of the nearest Internal Revenue Service Office in the "United States Government" section of your local telephone directory. Many IRS publications and forms also are available on the Internet at [www.irs.ustreas.gov](http://www.irs.ustreas.gov).



*In order to make informed decisions, Community Advisory Groups need access to reliable technical advice and expertise. Although experts may exist in some Community Advisory Groups, most groups will need to engage the services of an independent technical advisor. Receiving good technical advice is fundamental to an effective Community Advisory Group.*

# **Community Advisory Groups and Technical Assistance Programs**

## **Sources of Technical Assistance**

Community Advisory Groups may get technical assistance from several sources. At the city, county, state, or federal level, grants and contracts may be available to fund technical advisors. At the federal level, Community Advisory Groups at sites listed on the Superfund National Priorities List (NPL) may qualify to apply for a grant to hire a technical advisor through the EPA's Superfund Technical Assistance Grant, or TAG, program. For sites not listed on the National Priorities List, Community Advisory Groups may receive technical assistance through EPA's Technical Outreach Services for Communities (TOSC) program.

## **Superfund Technical Assistance Grant Program**

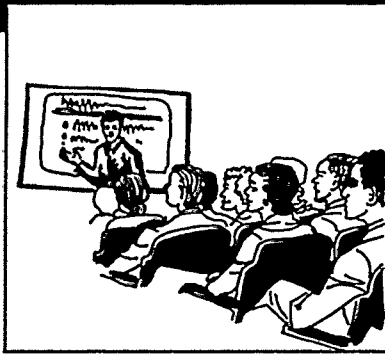
The Technical Assistance Grant program was established to promote

public involvement in Superfund site-specific cleanup strategies. Through the Technical Assistance Grant program, grants of up to \$50,000 are provided to qualified citizens' groups to hire independent technical advisors. The role of the technical advisor is to help citizens understand and comment on site-related information, thereby ensuring citizen participation in cleanup decisions. Community Advisory Groups must meet the same requirements as other groups to be eligible for a Technical Assistance Grant.

## **Superfund Technical Assistance Grant Program Requirements**

Community Advisory Groups and other citizens' groups that want to apply for Technical Assistance Grants must meet four basic requirements:

- The group applying for a Technical Assistance Grant must be nonprofit and incorporated.



- The group is required to contribute matching funds, whether in cash or in donated services or supplies, equal to 20 percent of the total project costs.
- The group must state what it intends to do with Technical Assistance Grant funds.
- Only one Technical Assistance Grant recipient may exist at a time for each Superfund National Priorities List site.

The following groups are not eligible for grant funds:

- Potentially responsible parties, which include individuals, municipalities, or companies (such as facility owners or operators, or transporters or generators of hazardous waste) potentially responsible for, or contributing to, the contamination problems at a Superfund site;
- Academic institutions;
- Political subdivisions; and
- Groups, such as counties or cities, established or supported by government.

This means that the membership of the Community Advisory Group cannot

include government officials acting in their official capacity. For example, if the town mayor is a member of the Community Advisory Group and represents the town in his or her official capacity as mayor, the group is not eligible for a Technical Assistance Grant. However, if the town mayor is serving on the Community Advisory Group as a concerned citizen, the group is eligible for a Technical Assistance Grant. The same reasoning applies to potentially responsible parties and other groups listed above as not eligible.

## Applying for a Technical Assistance Grant

Community Advisory Groups may take advantage of a Technical Assistance Grant in three ways. They may apply for a Technical Assistance Grant themselves, become part of a coalition applying for a Technical Assistance Grant, or work with a group that already has received a Technical Assistance Grant.

### *Applying For Your Own Technical Assistance Grant*

To see if your Community Advisory Group qualifies to apply for its own Technical Assistance Grant, answer the following questions.

#### 1. Is your site on EPA's Superfund National Priorities List?

The National Priorities List contains approximately 1,400 of the most serious hazardous waste sites across the nation. All of the sites are potential threats to the environment. Technical Assistance Grants are available only at proposed or final National Priorities List sites.

#### 2. Is your Community Advisory Group a nonprofit corporation?

Any group applying for a Technical Assistance Grant must be nonprofit and incorporated (that is, form a legal corporation) or be working toward incorporation under applicable state laws.

If your Community Advisory Group is not currently a nonprofit corporation, there are steps you can take now to meet this qualification. See the section on "Incorporating Your Community Advisory Group" for more information.

#### 3. Has a Technical Assistance Grant already been awarded to another group for your site?

**Only one Technical Assistance Grant may be awarded at a time for each Superfund National**





**Priorities List site.**

4. Does your Community Advisory Group receive financial or other support from any of the following groups?

**Support from any of the following groups makes you ineligible for a Technical Assistance Grant.**

- Potentially responsible parties, which includes individuals, municipalities, or companies (such as facility owners or operators, or transporters or generators of hazardous waste) potentially responsible for, or contributing to, the contamination problems at a Superfund site.
- Academic institutions.
- Political subdivisions (such as counties or cities) or other groups established or supported by government.

If the answers to questions 1 and 2 are "YES," AND the answers to questions 3 and 4 are "NO," your Community Advisory Group may qualify to apply for its own Technical Assistance Grant. If your Community Advisory Group does not qualify, consider joining a coalition to apply for a Technical Assistance Grant or working with an existing Technical Assistance Grant group.

☞ **A copy of *Superfund Technical***

**Assistance Grant (TAG) Handbook: Applying For Your Grant** is provided in Part 2 of this Toolkit for your convenience.

## **Forming Coalitions To Apply For a Technical Assistance Grant**

Coalitions may be formed for different reasons. If several citizens' groups exist in a community that has a National Priorities List site and they all express an interest in applying for a Technical Assistance Grant, EPA encourages the groups to form a coalition. If a Community Advisory Group doesn't qualify for a Technical Assistance Grant, a working coalition could be formed with another community group that does meet the qualification criteria. The existence of a Community Advisory Group doesn't preclude the existence of other citizens' groups at the same site.

## **Working with an Existing Technical Assistance Grant Recipient**

If a Technical Assistance Grant already has been awarded to another community group, the Community Advisory Group is encouraged to form a coalition with the Technical Assistance Grant group. Community Advisory Groups and Technical Assistance Grant groups should work together toward common goals with respect to site cleanup. One way to achieve this coordination is by having some members of each group belong to both groups.

For example, the Community Advisory Group at the Oronogo-Duenweg Mining Belt Superfund site in Missouri, which is called the Jasper County EPA Superfund Citizen's Task Force,

has a good working relationship with a separate group that has been awarded a Technical Assistance Grant. The constant flow of information between the two groups is provided by two members who belong to both.

In this case, the Community Advisory Group also has its own technical advisor (paid for by the city of Joplin) who shares information with the Technical Assistance Grant group's technical advisor.

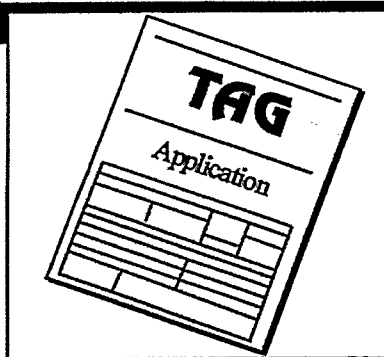
## **Uses of Technical Assistance Grants**

Citizens' groups use Technical Assistance Grant funds to hire technical advisors to help the group understand existing information about the site or information developed during the Superfund cleanup process.

Technical advisors may:

- Review site-related documents, whether produced by EPA or others;
- Meet with the Technical Assistance Grant group to explain





technical information;

- Provide assistance in communicating the group's site-related concerns;
- Interpret technical information for the community;
- Participate in site visits, when possible, to gain a better understanding of cleanup activities;
- Travel to meetings and hearings related to the situation at the site; and
- Attend required health and safety training.

Technical Assistance Grant funds may be used to hire someone to administer the grant; however, using funds in this manner reduces the amount of funds available for technical assistance and those costs become part of the current 20 percent cap on administrative costs. Grant groups considering this option should examine whether their grant administration methods could be met through volunteer efforts. Please note that the Technical Assistance Grant regulation is being revised. One item that may change is the cap on administrative costs. Check with your Technical Assistance Grant coordinators for

further information.

You cannot use Technical Assistance Grant funds to develop new information (for example, to conduct additional sampling) or, in any way, to support legal actions, including preparation of testimony or hiring of expert witnesses.

## Technical Outreach Services for Communities (TOSC)

The Technical Outreach Services for Communities program was established to provide technical assistance to citizens and citizens' groups who do not qualify for Technical Assistance Grants. The Technical Outreach Services for Communities program provides Superfund grant monies to a national network of Hazardous Substance Research Centers. The Centers are made up of experts in environmental science and engineering from 29 of the nation's leading universities. The Centers' experts provide independent scientific and technical advice to communities on a variety of topics related to hazardous substances, including potential health effects, environmental risks, cleanup options available, and regulatory concerns. *A copy of Technical Outreach Services for Communities is provided in Part 2 of this Toolkit for your convenience.*

The Technical Outreach Services for Communities program does not require you to file an application to obtain help. However, the type of services available and how to make arrangements to receive assistance varies. A list





of regional contacts for the Technical Outreach Services for Communities program is included in the brochure in Part 2 of this *Toolkit*. You may contact these individuals or the Community Involvement Coordinator in your EPA Regional Office to learn more about the specific services available to your Community Advisory Group.

## Finding Other Sources of Funding for Technical Assistance

Funding to hire a technical advisor may be available through not only EPA's programs but also other federal, state, and local sources.

For example, the Community Advisory Group at the Colorado School of Mines Research Institute hazardous waste removal action site in Golden, Colorado, called the Citizen's Working Group, wanted to hire a technical consultant. The group was not eligible





for a Superfund Technical Assistance Grant because the site is not on the National Priorities List. No other sources of federal funding were available. The group finally was successful in obtaining the needed funds from the State of Colorado Department of Local Affairs, which provided support through its Mining and Energy Impacts Grant program.

The Jasper County EPA Superfund Citizen's Task Force, on the other hand, has a technical advisor who was hired by the City of Joplin to provide advice on EPA documents and actions.

Community Advisory Group members and federal, state, and local government officials who work with your group may be able to suggest other sources of funding for technical assistance.

## **Additional Resources**

*Superfund Technical Assistance Grants Fact Sheet* (EPA 540-K-93-001 or PB93-963301) is available from EPA's National Center for Environmental Publications and Information, P.O. Box 42419, Cincinnati, Ohio 45242. FREE. Orders also may be faxed to 513-489-8695. Be sure to include the EPA publication number listed after the title with these orders. The publication also may be purchased from the National Technical Information Service (NTIS) by calling 703-

487-4650. Use the PB number listed after the title to order from NTIS.

*How to Find, Choose and Hire a Technical Advisor* (EPA 540-K-95-004) is available from EPA's National Center for Environmental Publications and Information (see ordering information above). FREE.



*Where can Community Advisory Groups find funds to support their work? The answer may surprise you. While most people look first to the federal government or to national charitable foundations, most funding is found closer to home.*

## ***Finding Funding for Community Advisory Groups***

Local companies, major retailers, and even small businesses are potential contributors to Community Advisory Groups. There also are voluntary service organizations and the scores of small, local foundations and plant-level corporate-giving programs eager to support worthwhile local programs.

Thinking locally is very important, because even getting funds from state and federal sources often depends on making contacts at the local level first. The key is to talk to people at the local level who can help you identify potential funding sources, and to form partnerships with local agencies and organizations with direct access to potential funders.

### **Creating Local Partnerships**

Without a doubt, the local community is the best source of funding and other support for Community Advisory Group activities. Many local companies and

organizations are eager to support worthwhile community projects. Often, all you have to do is ask.

In identifying prospects, look for:

- Subsidiaries and local plants connected to major corporations;
- Major employers;
- Major retail outlets;
- Major small businesses located in or serving the affected area;
- Insurance companies, health maintenance organizations, and health care companies; and
- Local foundations—such as your city's "Community Foundation" or small foundations that restrict funding to local projects. The reference librarian at the local library can direct you to a listing of these.)



The best prospects are companies that:

- Are doing well financially;
- Have reputations for being "good corporate citizens";
- Already support projects in the community; or
- Have a natural tie-in with environmental issues, the affected area, or the affected population groups.

### *Identifying Potential Funders*

Chances are that one or more companies in your community come to mind immediately—and there probably are others. Ask around. Talk to people who can help you identify companies that may be potential funders.

A good place to start is among Community Advisory Group members themselves. Does anyone on the Community Advisory Group have ties to the potential funder? Does he or she know someone who does? You also can talk to leaders from the Kiwanis Club, Lions, Rotary, and other local service organizations. Many of these groups have close ties with the local business community and raise funds to support worthwhile community projects. Call the Chamber of Commerce and talk with someone who can share his or her knowledge of the local business community.

Suggest coffee or ask for a short, informational meeting to introduce yourself and the Community Advisory Group. Briefly explain what you are trying to accomplish. If you can, outline one or more specific projects for which you are seeking support. Ask a leader from the Kiwanis, Lions, Rotary Club, or Chamber of Commerce if their group would be willing to directly support your activities, but don't stop there.

It is equally important to ask for referrals and introductions to other prospects. Does he or she know any other organizations or companies that might support your work? Who is the key person with whom you should talk? Would he or she be willing to make a phone call or to introduce you to the people you need to talk to?

Introductions to other potential funders are extremely important, because most local funding decisions are made based on personal relationships. Avoid making "cold calls" to potential funders. It is much better to talk to someone you know personally or to whom you have been personally referred, and have him or her introduce you the most appropriate contact.

### *Contacting Prospective Funders*

Once you have identified a prospect and an appropriate contact person, ask for a short introductory meeting to learn more about the company's giving programs. Be prepared to make a short but effective case that "sells" the Community Advisory Group's value to the community.

Be specific. It is much easier to get funding for specific purposes than for general support.

Describe one or more projects for which you are seeking support. For example, you might explain that the Community Advisory Group wants to increase community participation in the decision-making process and is seeking \$500 to start a newsletter, or to mail some information that will help accomplish that goal. Ask if the company would consider a funding request. To whom should the request be directed? Is there an application to fill out or a specific proposal format you must use? When is the best time to apply?

Don't overlook opportunities to seek and receive non-cash support in the form of donated property, services, or volunteer hours. Often this support can be as valuable as cash. **See the "Meet the Community Advisory Group" section for more information on how businesses and others in the community can provide this kind of support.**

Funds from local companies usually are awarded at the discretion of the local plant manager, the director of public or community relations, the government



relations office, or a local committee. A complicated application usually is not required. However, you should prepare a short, written proposal that explains how your program will effectively address a critical problem. Preparing a good proposal is the single most important step you can take to attract funding to your Community Advisory Group. **Information on how to write a proposal is provided in Part 2 of this Toolkit for your convenience.**

Developing ongoing personal relationships with the people who make funding decisions is critical. Keep up the contacts you have made. Touch base on a regular basis, even if your first meeting did not result in success. Something could come up later, or he or she could provide an important lead in the future.

## Funding from Federal and State Governments

Federal and state funding sources are very limited, and eligibility often is restricted to certain agencies and organizations. However, your Community Advisory Group can overcome this by forming a partnership with an agency that is eligible. The key is being flexible and creative in your approach to fundraising.

The best way to find and obtain federal and state funds is through local

networking. Talk to people in the community who are likely to know about federal or state programs. The best prospects are local elected officials and their staffs. Also contact local agencies that work on the same kinds of issues as the Community Advisory Group. The environmental engineering or environmental education departments of a local college or university also can provide potential leads.

Schedule a brief meeting to introduce these local contacts to the Community Advisory Group. Ask if they know of any federal or state programs that address goals and objectives similar to yours. Ask for referrals. Are there project ideas that you can work on together as a team? Who else should you talk to? Would your contact help by introducing you to these other people?

### *Identifying Sources of Federal and State Funding*

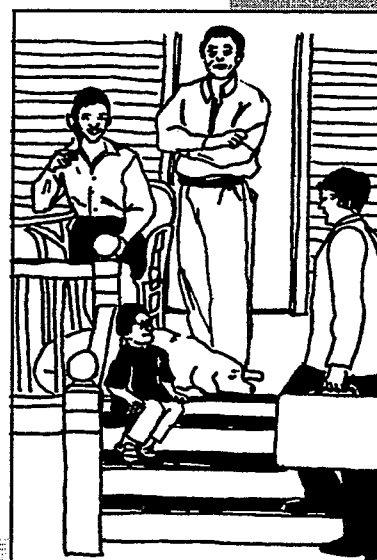
There are only a few federal and state programs that make grants directly to local community organizations. One example is the "Health Connection Project" sponsored by the National Institutes of Health (NIH) National Center for Research Resources. Grants of up to \$10,000 are available to coalitions of religious and/or community groups for health education programs. For more information, contact Brenda Files or Edward Gonzales of the American Association for the Advancement of Science at 202-326-6783 or e-mail: [bfiles@aaas.org](mailto:bfiles@aaas.org).

Keep in mind that this and other government grant programs are subject to funding by Congress,

and most have a limited duration. Grants may be offered only on a one-time basis or only over a short period.

Community Advisory Groups are not eligible to apply directly for most federal or state programs. But, certain local agencies are eligible to apply. Find out who they are and team up with them. Sometimes, they will include your project in their funding application or can support your efforts directly using the funds they receive. This is an excellent opportunity to build strong working relationships with key local and state agencies.

For example, the federal Community Development Block Grant (CDBG) program provides funds to promote urban development and provide decent housing and a suitable living environment. CDBG funds support a variety of community economic development and housing-related projects and provide economic opportunities for low- and moderate-income people. Funds are awarded to metropolitan cities and urban counties, or to the states for rural areas. They, in turn,





support projects undertaken by local governments and private "subgrantees." Generally, the city or county department of housing or community development is the local agency eligible for funding. Start by making contacts with people in these agencies.

Is your site located in a federally or state-designated Empowerment Zone (EZ), Enterprise Community (EC), Supplemental Empowerment Zone or Enhanced Enterprise Community? If so, there may be funding available through the federal government's EZ/EC Program for some Community Advisory Group activities. These designations also can trigger access to a variety of other federal and state programs that promote economic development and empowerment in designated areas with pervasive poverty, unemployment and general duress. Strong community participation is a major emphasis.

Community-based organizations, businesses, schools, and service organizations serving these EZ/EC areas may be eligible to participate in the community development plan and receive support for community and neighborhood revitalization projects. Similar programs funded by individual states exist in many areas. Contact your housing and community development departments to see if your community qualifies and to get more information.

If your Community Advisory Group is dealing with health education or public health issues, you also should contact your local health department and social service agencies. These agencies can tap into a number of federal and state-funded public health-related programs. For example, the Centers for Disease Control of the U.S. Public Health Service offers grants for public health programs in specific categories. Contact your local health department to see if health education activities or other health-related activities could qualify for support.

State and local departments of health can apply for funding under the Maternal and Child Health Block Grant to address health-related issues for low-income women and children. Community organizations can receive subgrants for local programs that promote childhood health, particularly among low-income populations.

The Preventive Health and Health Services Block Grant supports a number of preventive health services and educational programs. Here, too, local nonprofit community organizations may qualify for subgrants for projects that meet the objectives of the overall program. Contact your local health department or social service department.

Local community action agencies (CAAs) receive funding through the federal Community Services Block Grant program and other federal and state programs targeted to low-income people. These local social service agencies can become allies for Community Advisory Groups in many communities. Many CAAs have experience promoting community participation and could be excellent partners in your environmental education and community outreach efforts. CAAs have many different names: community action or

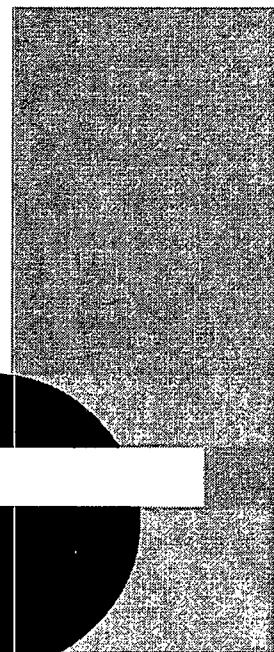
economic opportunity programs, boards, or commissions are most common. If you are unable to find a local listing, the National Association of Community Action Agencies can help you. Call them at (202) 265-7546.

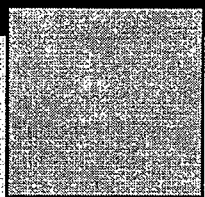
The Federal Surplus Property Program makes available to local governments, educational institutions and nonprofit organizations federal surplus property from fire trucks to office machines. Property must be used for public purposes. Contact your state's surplus property agency to inquire about eligibility and about items available at any time.

## National Foundations and Corporate Giving Programs

There are nearly 25,000 grants-making foundations in the United States. Competition for these grants can be stiff, and proposed projects usually must fall into specific categories.

Once again, it is on the local level that most of the action takes place. Large





well-known foundations and corporations have more money to give away and make larger grants, but they comprise only a small part of the foundation picture. The vast majority of foundations are quite small and limit giving to certain geographical areas. Most corporate giving programs restrict funding to projects in areas in which they maintain plants, and grants are made at the local-plant level rather than by the corporate headquarters.

There are a few small national foundations that are potential funders for Community Advisory Groups. For example, the Ben & Jerry's Foundation supports community-based and environmental programs, including those that promote public participation. Contact the nearest Ben & Jerry's Ice Cream store for more information. The National Environmental Education and Training Foundation provides grants to local community-based organizations to support projects promoting informed local environmental decision-making and to leverage funding from other sources. Call 202-628-8200 for application guidelines.

An important factor to consider before exploring foundation funding is that this funding usually is restricted to nonprofit organizations with a 501(c)(3) designation from the Internal Revenue Service. Some corporate giving programs may have less stringent restrictions.

The key to accessing foundation and corporate funding is doing your

homework. Again, the best place to start is by networking locally and asking people who may be familiar with potential funders. After that, the next-best place is a Foundation Center Library. Foundation libraries are maintained in New York, Washington, D.C., and other major cities, and in a number of major universities. For the location of the nearest Foundation Center Library, contact the Foundation Center Library Services, 79 Fifth Ave., New York, New York 10003-3076, 212-620-4230.

The Foundation Center libraries are easy to use. You can view a short training video that shows you how to use the reference materials. Start by identifying foundations with an interest in your subject area and which make awards in your geographical area. Look at information for each potential foundation individually to see if your project fits into their funding profile. If there is a good fit, write or call each foundation directly to request application guidelines.

### **Additional Resources:**

*Guide to Proposal Writing* by Jane C. Geever and Patricia McNeill is available from The Foundation Center, 79 Fifth Avenue, Department JJ, New York, New York 10003-3076. Cost: \$34.95, plus postage and handling. For more information or to order by phone, call 1-800-807-3677.

The nine-part *Nonprofit Management Series*, available from Independent Sector Publications, includes an individual publication on *Fundraising* (#7). Cost: \$5.00 each for individual publications, or \$35.00 for the nine-volume set, plus postage and handling. Call Independent Sector Publications at 301-490-3229 for more information or write to them at Independent Sector Publications, P.O. Box 451, Annapolis Junction, Maryland 20701.



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## Community Tools

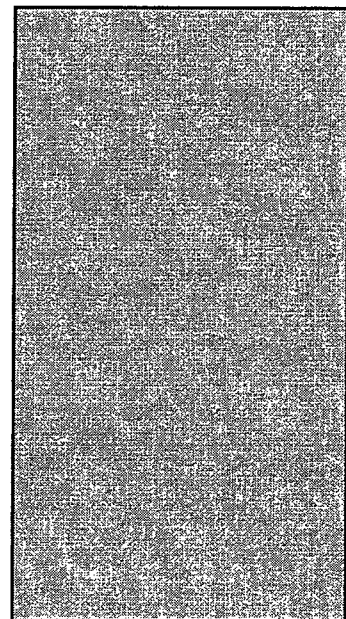
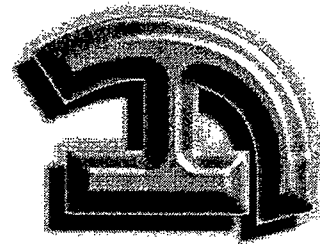
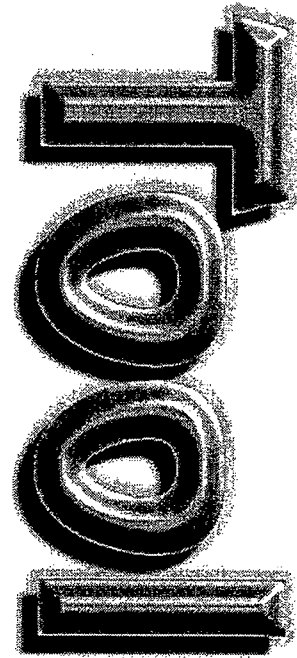
- How To Write a Proposal ..... A1
- Community Advisory Group: Our Voice in EPA  
Decisions [Presentation] ..... B1
- Community Advisory Group: Our Voice in EPA  
Decisions [Script Notes] ..... C1
- Operating Procedures ..... D1
- IRS Form (SS-4) for Applying for Employer ID ..... E1
- IRS Instructions and Forms (1023, 872-C, and 8718)  
for Applying for Recognition of Tax-Exempt Status ..... F1
- Superfund Technical Assistance Grant (TAG)  
Handbook: Applying for Your Grant ..... G1
- Technical Outreach Services  
for Communities ..... H1

**Community  
Tools**



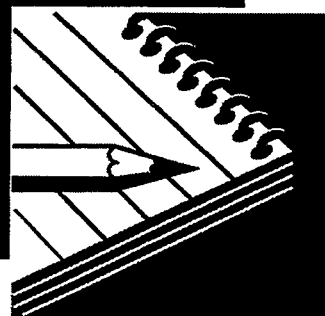
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# How To Write a Proposal





**-ToolA2-**



# How To Write a Proposal

*Finding funds to support the work of the Community Advisory Group is essential to its long-term success. There are a variety of funding sources available to Community Advisory Groups, ranging from local foundations and corporate-giving programs to national charitable foundations and the federal government.*

*No matter what the source, getting funds usually requires developing a proposal in which you make a case for funding the organization as a whole or a specific project.*

*The following is an outline for use in preparing an effective proposal, one that helps you "sell" your idea. Each section contains several questions. Your answers to these questions will provide the information to include in each section of your proposal.*

*You can find more information on how to find funding to support your Community Advisory Group in Part 1 of this Toolkit.*

## **Cover Letter**

Prepare a cover letter on your Community Advisory Group's letterhead. If you do not have printed stationery, you can create your own on a computer. If that is not possible, simply type the name and address of your Community Advisory Group at the top of the page. In about three paragraphs, your cover letter should summarize your request. The opening paragraph should be a sentence or two indicating that the Community Advisory Committee is submitting the enclosed proposal.

The middle paragraph is a short "sales pitch" to the prospective funder. This paragraph should answer the following questions:

- What is the name or title of your proposed project?
- What is the dollar amount you are requesting?
- What will the funding be used to do?
- Will the project result in the development of a specific "product"?  
If so, what?
- Specifically, what will the requested funds allow the Community Advisory Group to do?
- What are the expected benefits to the community?
- What are the expected benefits to the funder?

## **Proposal Summary**

In the closing paragraph, thank the funder for the opportunity to submit the proposal and offer to provide further information. Include a phone number and other contact information.

Describe the key points of the proposed project in a concise paragraph. The proposal summary, the first paragraph of your proposal, is the most important paragraph and often is the sole basis for judgment that gets a proposal to the next step in the review process. Answer the following questions in your summary:

- What do you plan to do?
- Why do you plan to do it?
- How will the proposed project address a documented need in the community?
- What benefits will result? ...to the Community Advisory Group? ...to the community?
- What type of support or amount of funding are you requesting (for example, basic organizational support, money for a specific project, "seed money" to raise funds from other sources)?

## **Introduction**

Provide a brief introduction to the Community Advisory Group as the applicant organization. Answer the following questions:

- What is the name of the Community Advisory Group?
- Does it have 501(c)(3) status from the Internal Revenue Service? (This designation is required by most grants-making organizations.)
- What is the overall purpose of the organization? (Use your Mission Statement.)
- When was your Community Advisory Group formed?
- What is your basic organizational structure?
- Have you had significant accomplishments or prior successes that would add credibility to your request?

## **Problem Statement and Assessment of Need**

Briefly describe the site, the affected community, and the specific aspects of the problem you plan to address. Answer these questions:

- Where is the site?
- What is the nature of the contamination and what conditions have resulted?
- How many people are affected?
- How are they affected?
- What is the specific problem you are trying to address with requested funds?
- What are the reasons you have chosen to address this particular problem or aspect of the problem? Why do you need to address the problem or aspect of the problem?

## **Program Objectives**

- Who will benefit? How would you describe the affected community in terms of family size and composition? Are there many families with children?...senior citizens?...income levels? (Are there many low-income people?) Are there specific groups within the community that will benefit from the proposed project?

In a sentence or two, tell what outcomes are expected in terms of achievable, measurable goals. Answer these questions:

- What do you hope to accomplish?
- What are the specific goals or outcomes from your proposed project?
- How will what you plan to do specifically address the problems identified in the Problem Statement and Assessment of Need?

## **Methods**

In a couple of paragraphs, summarize what you plan to do and when you plan to do it. Answer the following questions:

- What is your overall approach or project plan?
- Why did you choose this particular approach over other alternatives? (What factors affected your decision? Has the Community Advisory Group or another similar organization had previous experiences that support your decision to do things in the manner you propose?)
- Who will manage the project? What is his/her position in the organization? Why is he/she qualified to manage the project?
- Why do you think the methods you chose will work?
- What specific activities or tasks will be necessary to accomplish your objectives?
- What is your time line for accomplishing each objective?

## **Evaluation**

Describe how you will evaluate your project. Answer these questions:

- What are the specific objectives or accomplishments for your project?
- What specific measures will you use to determine progress towards each objective or accomplishment?
- What information will you collect for each specific measure?
- Will you provide periodic progress reports to the funder? How often? What information will be included in each progress report?

## **Future Funding**

Explain how your activities will be sustained once initial funding is exhausted. Most funders will not support a project that does not show any prospect for continuing beyond the initial grant period. In this section, answer the following questions:

- How do you plan to finance the project after the requested funding is used?
- Are there other sources of funding or support for the project? If so, what are they?
- Are you raising funds from other sources? From whom? How will fundraising be conducted?

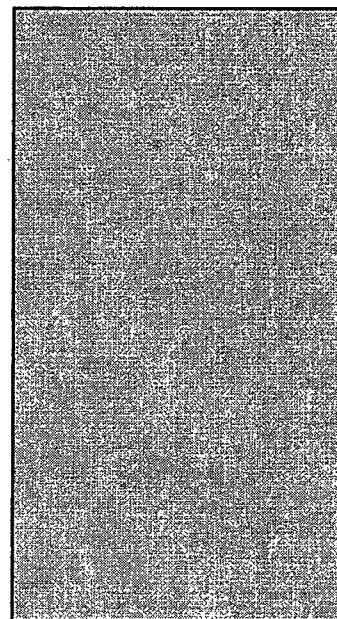
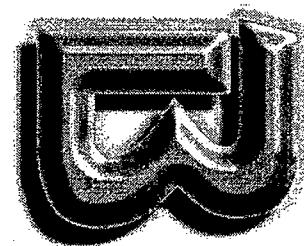
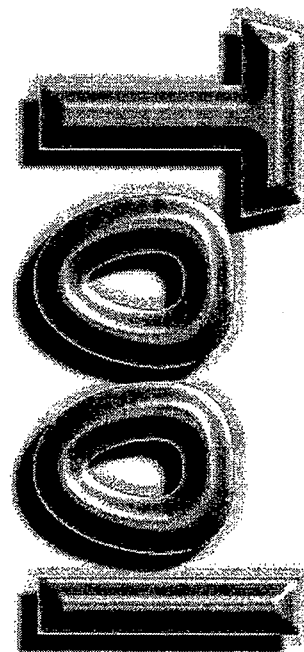
## Budget

Provide a detailed and realistic budget showing all expenditures necessary for the program. Use the following categories as a guide:

Personnel/Services	Labor costs, including allocated portion of salaries of paid staff, if any, temporary help, consultants, or others working on the proposed project.
Rent	Office space or meeting space, if applicable.
Supplies	Office supplies for proposed project, and specific supplies necessary for proposed project.
Equipment	Computer, fax, phone, slide projector, video player, if applicable. Include any special equipment to be purchased or leased specifically for the proposed project.
Printing	Xeroxing, printing, duplicating slides, overhead transparencies, <i>etc.</i> for presentations.
Postage and Mailing	Postage, handling, shipping, and messenger services.
Travel	<u>Local:</u> mileage @ rate/mile, taxis, public transportation for travel necessary for proposed project. <u>Non-local:</u> mileage @ rate/mile, rail or plane fares, lodging and food costs for required out-of-town travel.
Telephone	Cost of a phone line, long-distance calls, fax, on-line services.
Other	Costs and expenses not included in other categories.

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**Community  
Advisory  
Group:  
Our Voice in  
EPA Decisions  
[Presentation]**



-T001B2-



# **Community Advisory Group**

*Our Voice in EPA Decisions*

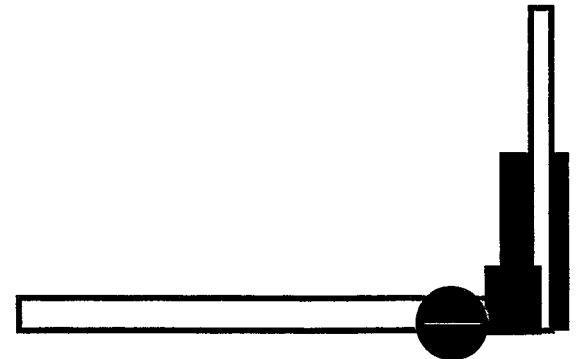




# What the Community Advisory Group Is

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- A way for all parts of the community to participate actively in decisions about site cleanup and other environmental issues



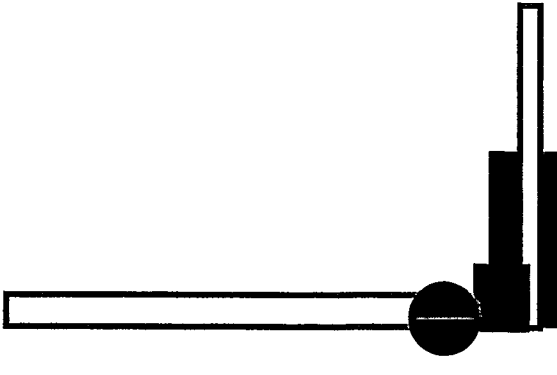
# Why We Have One

- Have a real voice in decision-making
- Discuss full range of community concerns about cleanup
- Present community views and concerns to EPA, State and Tribal agencies, others
- Get up-to-date information about status of cleanup and other activities at the site



# What We Do

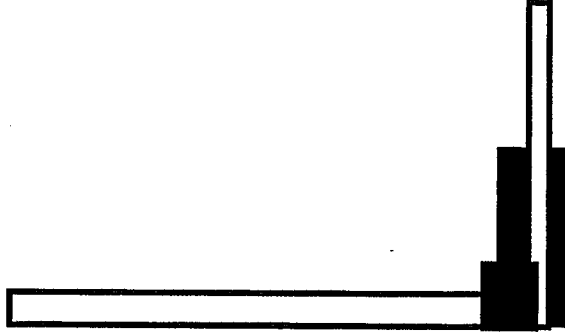
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- Hold meetings with community residents
  - Review technical information
  - Meet with EPA and State officials
  - Work together to solve environmental problems
- 



# Keys To Success

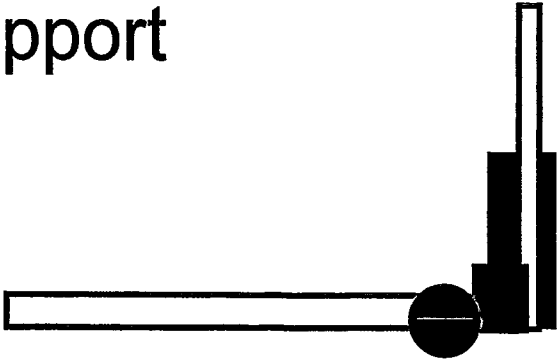
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- Participation by all parts of the community
  - Open to all viewpoints
  - Patience and persistence
  - Support from the whole community
- 



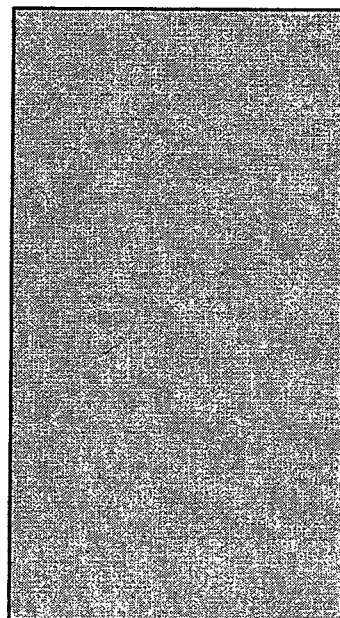
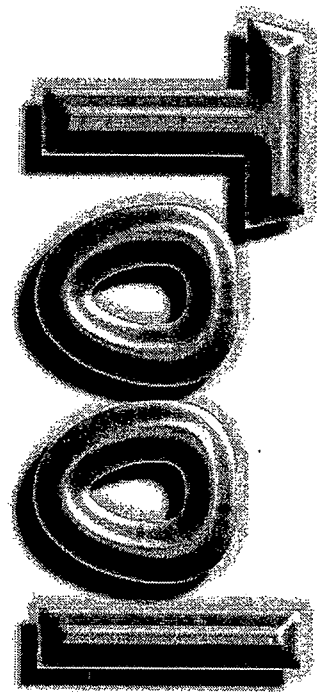
# What You Can Do

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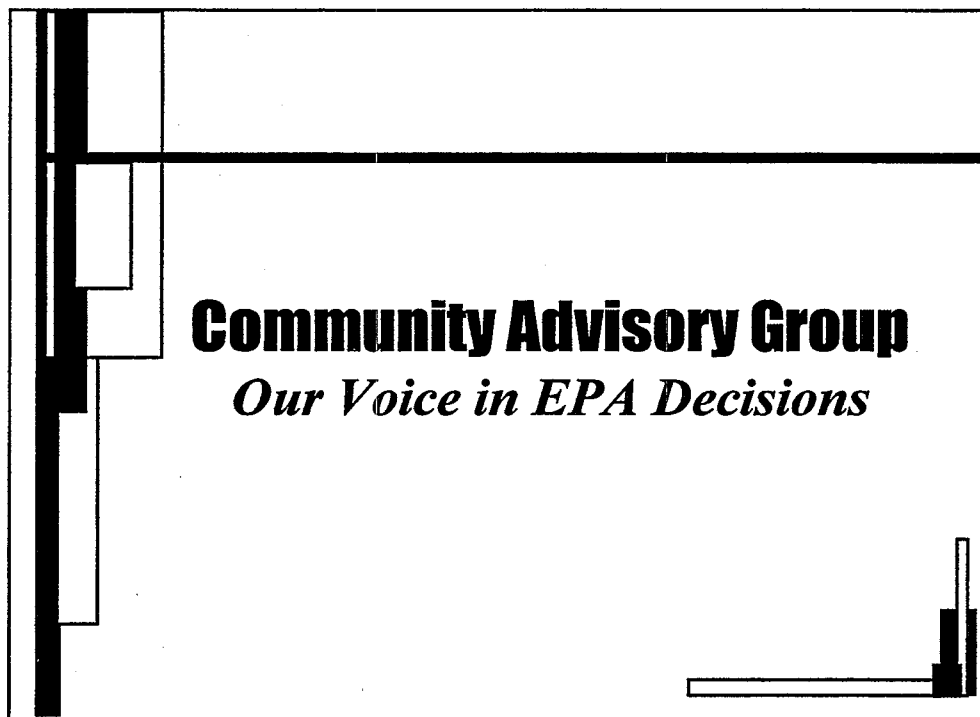
- Come to meetings and speak up
  - Encourage others to participate
  - Help us inform others about environmental problems and the cleanup process
  - Provide information and expertise
  - Provide financial or other support
- 

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**Community  
Advisory  
Group:  
Our Voice in  
EPA Decisions  
[Script Notes]**



-Tool G2-



## **COMMUNITY ADVISORY GROUP**

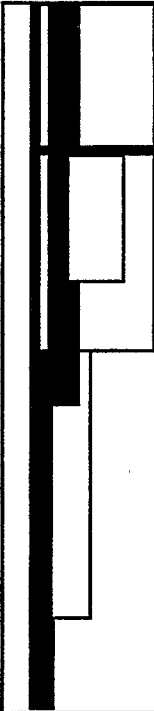
**Our Voice in EPA Decisions**

**Script Notes for Presentation**

The purpose of the presentation slides is to introduce the audience to your Community Advisory Group. Following is a replica of each slide and suggestions about the type of information to provide in discussing each.


To be effective, keep your remarks brief; 10-15 minutes is best. Encourage people in the audience to ask questions and leave time for answering them. These notes are to help you plan what you want to talk about as you show each slide.





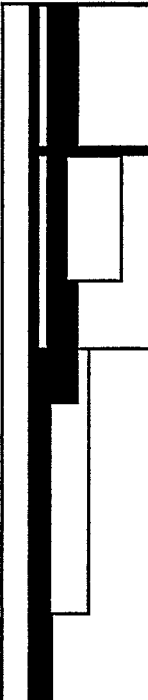
## **What the Community Advisory Group Is**

- A way for all parts of the community to participate actively in decisions about site cleanup and other environmental issues




### **Slide 1**

Explain the mission of your Community Advisory Group. If you have a formal mission statement, read it to your audience. If not, briefly state the purpose for which the Community Advisory Group was formed. Tell how many members you have, who they are, and how they were selected.



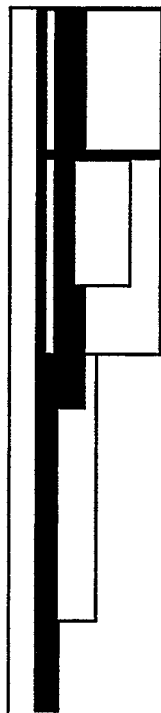
## **Why We Have One**

- Have a real voice in decision-making
- Discuss full range of community concerns about cleanup
- Present community views and concerns to EPA, State and Tribal agencies, others
- Get up-to-date information about status of cleanup and other activities at the site



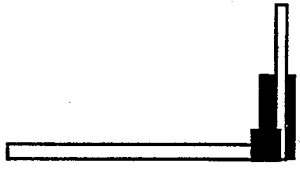
### **Slide 2**

Explain why it is important for the community to have a voice in decision-making. Name two or three of the most important issues or concerns that your Community Advisory Group is working on.




## **What We Do**

- Hold meetings with community residents
- Review technical information
- Meet with EPA and State officials
- Work together to solve environmental problems



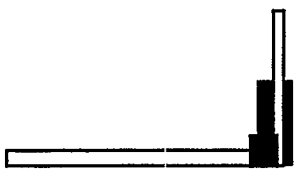
### **Slide 3**

Tell the audience where and how often you hold meetings with community residents. Tell them how to find out about meetings in the future. Explain what kinds of technical information you review and how you do that. For example, do some members of the Community Advisory Group have technical expertise or experience with the site that helps you? Are there other technical experts you rely on? Do you meet or talk with EPA and State officials regularly?



## **Keys To Success**

- Participation by all parts of the community
- Open to all viewpoints
- Patience and persistence
- Support from the whole community



### **Slide 4**

Tell the audience that it is very important for everyone to come to Community Advisory Group meetings and express their views. Explain that, although the cleanup process can be long and complicated, the members of the Community Advisory Group are committed to stick it out and will keep them informed each step of the way. Emphasize that the community's voice in the decisions is stronger when the whole community participates in the process.

## What You Can Do

- Come to meetings and speak up
- Encourage others to participate
- Help us inform others about environmental problems and the cleanup process
- Provide information and expertise
- Provide financial or other support

### Slide 5

This is the most important part of your message. Invite everyone to get involved, and give them specific ideas about how they can support the Community Advisory Group's work. Emphasize that the single most important thing people can do is to come to meetings and express their opinion. Let them know every citizen's view is important. Remind them where and when the next meeting will be held. Let them know how to reach you and other members if they cannot get to the meeting.

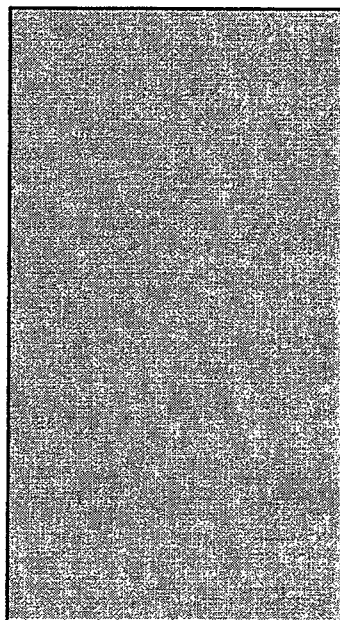
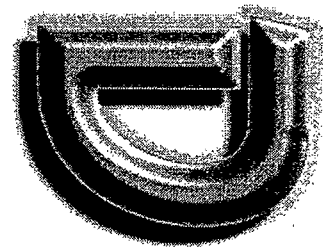
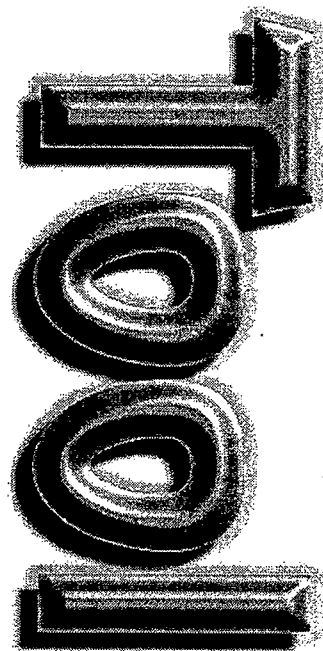
Suggest other ways for people to get involved. For example, long-time residents may have information about the site and its history that may be extremely useful. People who belong to civic and other organizations in the community may be able to help you spread the word about your meeting dates and times. Still others may be able to help you get the local newspaper or television station to write about the Community Advisory Group's work.

Leave plenty of time for questions and comments from the audience. Make sure people know how to reach the Community Advisory Group members to get more information.



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# Operating Procedures



-Tool D2-

# Operating Procedures for Your Community Advisory Group

*NOTE: Following is a suggested format for use in preparing the Operating Procedures for your Community Advisory Group. Each section contains several questions. The answers to these questions should be the information you include in each section of your procedures.*

*You can find more information on developing operating procedures in Part 1 of this Toolkit.*

## **Name and Duration**

- What are you going to call the Community Advisory Group?
- Will the Community Advisory Group exist for a specific period of time?

## **Membership**

- How many members will the Community Advisory Group have?
- What, if any, are the special qualifications for membership?
- Should the Community Advisory Group membership have a specified composition (e.g., members from particular areas or groups in the community)?
- How will members be chosen? Will elections be held? How often?
- For what term will members serve?
- How will vacancies be filled?
- What are the roles and responsibilities of Community Advisory Group members?
- Under what circumstances would a member be replaced? What procedures would be used?

## **Leadership**

- Will you have a chairperson or chairpersons?
- Will you have an executive board? If so, what will be its composition?
- How will leaders be chosen?
- For what term will leaders serve?
- What, if any, are the special qualifications for leadership positions?

## Meetings

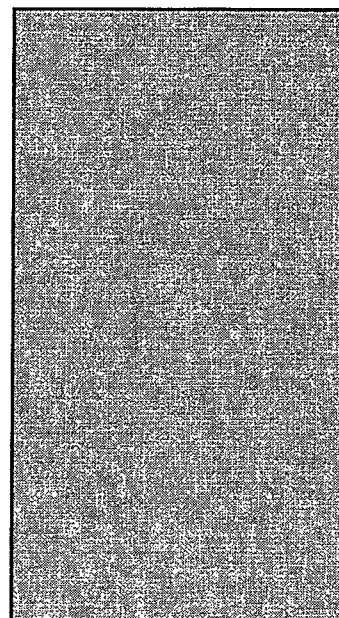
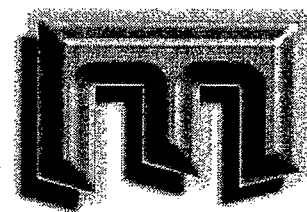
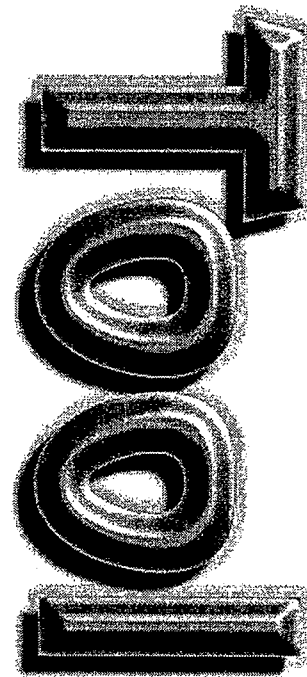
- How will leadership vacancies be filled?
- What are the roles and responsibilities of the chairperson, board members, or other leaders?
- Under what circumstances would a leader be replaced? What procedures would be used?

## Resolving Issues

- When and how often will the Community Advisory Group meet?
- Where will Community Advisory Group meetings be held?
- How will meetings be announced and publicized?
- Will the public be invited to all meetings?
- Will you hold additional meetings for members only or other types of special meetings?
- What will be the basic format for meetings?
- Will you use *Robert's Rules of Order* or other procedures to govern meetings?
- How will records of the meetings be kept? Will meeting minutes be prepared?
- Will minutes be made available to the public? If so, where and when?
- How will members make decisions? By consensus? Majority rule? Some other means?
- Are there some decisions that can be made by the chairperson, the board, or some other subgroup of the total membership? If so, which ones? Under what circumstances?
- How can changes to operating procedures be made?

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# IRS Form SS-4 for Applying for Employer ID



-Tool E2-

# Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, certain individuals, and others. See instructions.)

► **Keep a copy for your records.**

EIN

OMB No. 1545-0003

Please type or print clearly.	1 Name of applicant (Legal name) (See instructions.)		
	2 Trade name of business (if different from name on line 1)	3 Executor, trustee, "care of" name	
	4a Mailing address (street address) (room, apt., or suite no.)	5a Business address (if different from address on lines 4a and 4b)	
	4b City, state, and ZIP code	5b City, state, and ZIP code	
	6 County and state where principal business is located		
	7 Name of principal officer, general partner, grantor, owner, or trustor—SSN required (See instructions.) ►		
8a Type of entity (Check only one box.) (See instructions.)			
<input type="checkbox"/> Sole proprietor (SSN) <input type="checkbox"/> Partnership <input type="checkbox"/> REMIC <input type="checkbox"/> State/local government <input type="checkbox"/> Other nonprofit organization (specify) ► <input type="checkbox"/> Other (specify) ►			
<input type="checkbox"/> Estate (SSN of decedent) <input type="checkbox"/> Plan administrator-SSN <input type="checkbox"/> Other corporation (specify) ► <input type="checkbox"/> Trust <input type="checkbox"/> Federal Government/military <input type="checkbox"/> Farmers' cooperative <input type="checkbox"/> Church or church-controlled organization			
8b If a corporation, name the state or foreign country (if applicable) where incorporated			
State Foreign country			
9 Reason for applying (Check only one box.)			
<input type="checkbox"/> Started new business (specify) ► <input type="checkbox"/> Banking purpose (specify) ► <input type="checkbox"/> Changed type of organization (specify) ► <input type="checkbox"/> Purchased going business <input type="checkbox"/> Created a trust (specify) ► <input type="checkbox"/> Other (specify) ►			
10 Date business started or acquired (Mo., day, year) (See instructions.)			
11 Closing month of accounting year (See instructions.)			
12 First date wages or annuities were paid or will be paid (Mo., day, year). <b>Note:</b> If applicant is a withholding agent, enter date income will first be paid to nonresident alien. (Mo., day, year)			
13 Highest number of employees expected in the next 12 months. <b>Note:</b> If the applicant does not expect to have any employees during the period, enter -0-. (See instructions.)			
Nonagricultural Agricultural Household			
14 Principal activity (See instructions.) ►			
15 Is the principal business activity manufacturing? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No			
If "Yes," principal product and raw material used ►			
16 To whom are most of the products or services sold? Please check the appropriate box. <input type="checkbox"/> Business (wholesale) <input type="checkbox"/> Public (retail) <input type="checkbox"/> Other (specify) ► <input type="checkbox"/> N/A			
17a Has the applicant ever applied for an identification number for this or any other business? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>Note:</b> If "Yes," please complete lines 17b and 17c.			
17b If you checked "Yes" on line 17a, give applicant's legal name and trade name shown on prior application, if different from line 1 or 2 above.			
Legal name Trade name			
17c Approximate date when and city and state where the application was filed. Enter previous employer identification number if known.			
Approximate date when filed (Mo., day, year) City and state where filed Previous EIN			
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			
Business telephone number (include area code)			
Fax telephone number (include area code)			
Name and title (Please type or print clearly.) ►			
Signature ► Date ►			

**Note:** Do not write below this line. For official use only.

Please leave blank ►	Geo.	Ind.	Class	Size	Reason for applying
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## General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

### Purpose of Form

Use Form SS-4 to apply for an employer identification number (EIN). An EIN is a nine-digit number (for example, 12-3456789) assigned to sole proprietors, corporations, partnerships, estates, trusts, and other entities for filing and reporting purposes. The information you provide on this form will establish your filing and reporting requirements.

### Who Must File

You must file this form if you have not obtained an EIN before and:

- You pay wages to one or more employees including household employees.
- You are required to have an EIN to use on any return, statement, or other document, even if you are not an employer.
- You are a withholding agent required to withhold taxes on income, other than wages, paid to a nonresident alien (individual, corporation, partnership, etc.). A withholding agent may be an agent, broker, fiduciary, manager, tenant, or spouse, and is required to file **Form 1042**, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons.
- You file **Schedule C**, Profit or Loss From Business, or **Schedule F**, Profit or Loss From Farming, of **Form 1040**, U.S. Individual Income Tax Return, and have a Keogh plan or are required to file excise, employment, information, or alcohol, tobacco, or firearms returns.

The following must use EINs even if they do not have any employees:

- State and local agencies who serve as tax reporting agents for public assistance recipients, under Rev. Proc. 80-4, 1980-1 C.B. 581, should obtain a separate EIN for this reporting. See **Household employer** on page 3.

- Trusts, except the following:

1. Certain grantor-owned revocable trusts. (See the **Instructions for Form 1041**.)

2. Individual Retirement Arrangement (IRA) trusts, unless the trust has to file **Form 990-T**, Exempt Organization Business Income Tax Return. (See the **Instructions for Form 990-T**.)

3. Certain trusts that are considered household employers can use the trust EIN to report and pay the social security and Medicare taxes, Federal unemployment tax (FUTA) and withheld Federal income tax. A separate EIN is not necessary.

- Estates
- Partnerships
- REMICs (real estate mortgage investment conduits) (See the **Instructions for Form 1066**, U.S. Real Estate Mortgage Investment Conduit Income Tax Return.)
- Corporations

- Nonprofit organizations (churches, clubs, etc.)
- Farmers' cooperatives
- Plan administrators (A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.)

### When To Apply for a New EIN

**New Business.**—If you become the new owner of an existing business, **do not** use the EIN of the former owner. IF YOU ALREADY HAVE AN EIN, USE THAT NUMBER. If you do not have an EIN, apply for one on this form. If you become the "owner" of a corporation by acquiring its stock, use the corporation's EIN.

**Changes in Organization or Ownership.**—If you already have an EIN, you may need to get a new one if either the organization or ownership of your business changes. If you incorporate a sole proprietorship or form a partnership, you must get a new EIN. However, **do not** apply for a new EIN if you change only the name of your business.

**Note:** If you are electing to be an "S corporation," be sure you file **Form 2553**, *Election by a Small Business Corporation*.

**File Only One Form SS-4.**—File only one Form SS-4, regardless of the number of businesses operated or trade names under which a business operates. However, each corporation in an affiliated group must file a separate application.

**EIN Applied For, But Not Received.**—If you do not have an EIN by the time a return is due, write "Applied for" and the date you applied in the space shown for the number. **Do not** show your social security number as an EIN on returns.

If you do not have an EIN by the time a tax deposit is due, send your payment to the Internal Revenue Service Center for your filing area. (See **Where To Apply** below.) Make your check or money order payable to Internal Revenue Service and show your name (as shown on Form SS-4), address, type of tax, period covered, and date you applied for an EIN. Send an explanation with the deposit.

For more information about EINs, see **Pub. 583**, *Starting a Business and Keeping Records*, and **Pub. 1635**, *Understanding Your EIN*.

### How To Apply

You can apply for an EIN either by mail or by telephone. You can get an EIN immediately by calling the Tele-TIN phone number for the service center for your state, or you can send the completed Form SS-4 directly to the service center to receive your EIN in the mail.

**Application by Tele-TIN.**—Under the Tele-TIN program, you can receive your EIN over the telephone and use it immediately to file a return or make a payment. To receive an EIN by phone, complete Form SS-4, then call the

Tele-TIN phone number listed for your state under **Where To Apply**. The person making the call must be authorized to use the form. (See **Signature block** on page 4.)

An IRS representative will use the information from the Form SS-4 to establish your account and assign you an EIN. Write the number you are given on the upper right-hand corner of the form, sign and date it.

Mail or FAX the signed SS-4 **within 24 hours** to the Tele-TIN Unit at the service center address for your state. The IRS representative will give you the FAX number. The FAX numbers are also listed in Pub. 1635.

Taxpayer representatives can receive their client's EIN by phone if they first send a facsimile (FAX) of a completed **Form 2848**, *Power of Attorney and Declaration of Representative*, or **Form 8821**, *Tax Information Authorization*, to the Tele-TIN unit. The Form 2848 or Form 8821 will be used solely to release the EIN to the representative authorized on the form.

**Application by Mail.**—Complete Form SS-4 at least 4 to 5 weeks before you will need an EIN. Sign and date the application and mail it to the service center address for your state. You will receive your EIN in the mail in approximately 4 weeks.

### Where To Apply

The Tele-TIN phone numbers listed below will involve a long-distance charge to callers outside of the local calling area. They can be used only to apply for an EIN. NUMBERS MAY CHANGE WITHOUT NOTICE. Use 1-800-829-1040 to verify a number or to ask about an application by mail or other Federal tax matters.

If your principal business, office or agency, or legal residence in the case of an individual, is located in:

Call the Tele-TIN phone number shown or file with the Internal Revenue Service Center at:

Florida, Georgia, South Carolina	Attn: Entity Control Atlanta, GA 39901 (404) 455-2360
New Jersey, New York City and counties of Nassau, Rockland, Suffolk, and Westchester	Attn: Entity Control Holtsville, NY 00501 (516) 447-4955
New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Attn: Entity Control Andover, MA 05501 (508) 474-9717
Illinois, Iowa, Minnesota, Missouri, Wisconsin	Attn: Entity Control Stop 57A 2306 E. Bannister Rd. Kansas City, MO 64131 (816) 926-5999
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia	Attn: Entity Control Philadelphia, PA 19255 (215) 574-2400
Indiana, Kentucky, Michigan, Ohio, West Virginia	Attn: Entity Control Cincinnati, OH 45999 (606) 292-5467
Kansas, New Mexico, Oklahoma, Texas	Attn: Entity Control Austin, TX 78761 (512) 460-1111

Alaska, Arizona, California (counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba), Colorado, Idaho, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming

Attn: Entity Control  
Mail Stop 6271-T  
P.O. Box 9950  
Ogden, UT 84409  
(801) 620-7645

California (all other counties), Hawaii

Attn: Entity Control  
Fresno, CA 93888  
(209) 452-4010

Alabama, Arkansas, Louisiana, Mississippi, North Carolina, Tennessee

Attn: Entity Control  
Memphis, TN 37501  
(901) 365-5970

If you have no legal residence, principal place of business, or principal office or agency in any state, file your form with the Internal Revenue Service Center, Philadelphia, PA 19255 or call 215-574-2400.

## Specific Instructions

The instructions that follow are for those items that are not self-explanatory. Enter N/A (nonapplicable) on the lines that do not apply.

**Line 1.**—Enter the legal name of the entity applying for the EIN exactly as it appears on the social security card, charter, or other applicable legal document.

**Individuals.**—Enter the first name, middle initial, and last name. If you are a sole proprietor, enter your individual name, not your business name. Do not use abbreviations or nicknames.

**Trusts.**—Enter the name of the trust.

**Estate of a decedent.**—Enter the name of the estate.

**Partnerships.**—Enter the legal name of the partnership as it appears in the partnership agreement. **Do not** list the names of the partners on line 1. See the specific instructions for line 7.

**Corporations.**—Enter the corporate name as it appears in the corporation charter or other legal document creating it.

**Plan administrators.**—Enter the name of the plan administrator. A plan administrator who already has an EIN should use that number.

**Line 2.**—Enter the trade name of the business if different from the legal name. The trade name is the "doing business as" name.

**Note:** Use the full legal name on line 1 on all tax returns filed for the entity. However, if you enter a trade name on line 2 and choose to use the trade name instead of the legal name, enter the trade name on all returns you file. To prevent processing delays and errors, **always** use either the legal name only or the trade name only on all tax returns.

**Line 3.**—Trusts enter the name of the trustee. Estates enter the name of the executor, administrator, or other fiduciary. If the entity applying has a designated person to receive tax information, enter that person's name as the "care of"

person. Print or type the first name, middle initial, and last name.

**Line 7.**—Enter the first name, middle initial, last name, and social security number (SSN) of a principal officer if the business is a corporation; of a general partner if a partnership; or of a grantor, owner, or trustor if a trust.

**Line 8a.**—Check the box that best describes the type of entity applying for the EIN. If not specifically mentioned, check the "Other" box and enter the type of entity. Do not enter N/A.

**Sole proprietor.**—Check this box if you file Schedule C or F (Form 1040) and have a Keogh plan, or are required to file excise, employment, information, or alcohol, tobacco, or firearms returns. Enter your SSN in the space provided.

**REMIC.**—Check this box if the entity has elected to be treated as a real estate mortgage investment conduit (REMIC). See the **Instructions for Form 1066** for more information.

**Other nonprofit organization.**—Check this box if the nonprofit organization is other than a church or church-controlled organization and specify the type of nonprofit organization (for example, an educational organization).

If the organization also seeks tax-exempt status, you must file either **Package 1023** or **Package 1024**, Application for Recognition of Exemption. Get **Pub. 557**, Tax-Exempt Status for Your Organization, for more information.

**Group exemption number (GEN).**—If the organization is covered by a group exemption letter, enter the four-digit GEN. (Do not confuse the GEN with the nine-digit EIN.) If you do not know the GEN, contact the parent organization. Get **Pub. 557** for more information about group exemption numbers.

**Withholding agent.**—If you are a withholding agent required to file Form 1042, check the "Other" box and enter "Withholding agent."

**Personal service corporation.**—Check this box if the entity is a personal service corporation. An entity is a personal service corporation for a tax year only if:

- The principal activity of the entity during the testing period (prior tax year) for the tax year is the performance of personal services substantially by employee-owners, and

- The employee-owners own 10% of the fair market value of the outstanding stock in the entity on the last day of the testing period.

Personal services include performance of services in such fields as health, law, accounting, or consulting. For more information about personal service corporations, see the **Instructions for Form 1120**, U.S. Corporation Income Tax Return, and **Pub. 542**, Tax Information on Corporations.

**Limited liability co.**—See the definition of limited liability company in the **Instructions for Form 1065**. If you are classified as a partnership for Federal income tax

purposes, mark the "Limited liability co." checkbox. If you are classified as a corporation for Federal income tax purposes, mark the "Other corporation" checkbox and write "Limited liability co." in the space provided.

**Plan administrator.**—If the plan administrator is an individual, enter the plan administrator's SSN in the space provided.

**Other corporation.**—This box is for any corporation other than a personal service corporation. If you check this box, enter the type of corporation (such as insurance company) in the space provided.

**Household employer.**—If you are an individual, check the "Other" box and enter "Household employer" and your SSN. If you are a state or local agency serving as a tax reporting agent for public assistance recipients who become household employers, check the "Other" box and enter "Household employer agent." If you are a trust that qualifies as a household employer, you do not need a separate EIN for reporting tax information relating to household employees; use the EIN of the trust.

**Line 9.**—Check only **one** box. Do not enter N/A.

**Started new business.**—Check this box if you are starting a new business that requires an EIN. If you check this box, enter the type of business being started. **Do not** apply if you already have an EIN and are only adding another place of business.

**Hired employees.**—Check this box if the existing business is requesting an EIN because it has hired or is hiring employees and is therefore required to file employment tax returns. **Do not** apply if you already have an EIN and are only hiring employees. For information on the applicable employment taxes for family members, see **Circular E**, Employer's Tax Guide (Publication 15).

**Created a pension plan.**—Check this box if you have created a pension plan and need this number for reporting purposes. Also, enter the type of plan created.

**Banking purpose.**—Check this box if you are requesting an EIN for banking purposes only, and enter the banking purpose (for example, a bowling league for depositing dues or an investment club for dividend and interest reporting).

**Changed type of organization.**—Check this box if the business is changing its type of organization, for example, if the business was a sole proprietorship and has been incorporated or has become a partnership. If you check this box, specify in the space provided the type of change made, for example, "from sole proprietorship to partnership."

**Purchased going business.**—Check this box if you purchased an existing business. **Do not** use the former owner's EIN. **Do not** apply for a new EIN if you already have one. Use your own EIN.

**Created a trust.**—Check this box if you created a trust, and enter the type of trust created.

**Note:** Do not file this form if you are the grantor/owner of certain revocable trusts. You must use your SSN for the trust. See the Instructions for Form 1041.

**Other (specify).**—Check this box if you are requesting an EIN for any reason other than those for which there are checkboxes, and enter the reason.

**Line 10.**—If you are starting a new business, enter the starting date of the business. If the business you acquired is already operating, enter the date you acquired the business. Trusts should enter the date the trust was legally created. Estates should enter the date of death of the decedent whose name appears on line 1 or the date when the estate was legally funded.

**Line 11.**—Enter the last month of your accounting year or tax year. An accounting or tax year is usually 12 consecutive months, either a calendar year or a fiscal year (including a period of 52 or 53 weeks). A calendar year is 12 consecutive months ending on December 31. A fiscal year is either 12 consecutive months ending on the last day of any month other than December or a 52-53 week year. For more information on accounting periods, see Pub. 538, Accounting Periods and Methods.

**Individuals.**—Your tax year generally will be a calendar year.

**Partnerships.**—Partnerships generally must adopt the tax year of either (a) the majority partners; (b) the principal partners; (c) the tax year that results in the least aggregate (total) deferral of income; or (d) some other tax year. (See the Instructions for Form 1065, U.S. Partnership Return of Income, for more information.)

**REMIC.**—REMICs must have a calendar year as their tax year.

**Personal service corporations.**—A personal service corporation generally must adopt a calendar year unless:

- It can establish a business purpose for having a different tax year, or
- It elects under section 444 to have a tax year other than a calendar year.

**Trusts.**—Generally, a trust must adopt a calendar year except for the following:

- Tax-exempt trusts,
- Charitable trusts, and
- Grantor-owned trusts.

**Line 12.**—If the business has or will have employees, enter the date on which the business began or will begin to pay wages. If the business does not plan to have employees, enter N/A.

**Withholding agent.**—Enter the date you began or will begin to pay income to a nonresident alien. This also applies to individuals who are required to file Form 1042 to report alimony paid to a nonresident alien.

**Line 13.**—For a definition of agricultural labor (farmworker), see Circular A, Agricultural Employer's Tax Guide (Publication 51).

**Line 14.**—Generally, enter the exact type of business being operated (for example, advertising agency, farm, food or beverage establishment, labor union, real estate agency, steam laundry, rental of coin-operated vending machine, or investment club). Also state if the business will involve the sale or distribution of alcoholic beverages.

**Governmental.**—Enter the type of organization (state, county, school district, municipality, etc.).

**Nonprofit organization (other than governmental).**—Enter whether organized for religious, educational, or humane purposes, and the principal activity (for example, religious organization—hospital, charitable).

**Mining and quarrying.**—Specify the process and the principal product (for example, mining bituminous coal, contract drilling for oil, or quarrying dimension stone).

**Contract construction.**—Specify whether general contracting or special trade contracting. Also, show the type of work normally performed (for example, general contractor for residential buildings or electrical subcontractor).

**Food or beverage establishments.**—Specify the type of establishment and state whether you employ workers who receive tips (for example, lounge—yes).

**Trade.**—Specify the type of sales and the principal line of goods sold (for example, wholesale dairy products, manufacturer's representative for mining machinery, or retail hardware).

**Manufacturing.**—Specify the type of establishment operated (for example, sawmill or vegetable cannery).

**Signature block.**—The application must be signed by (a) the individual, if the applicant is an individual, (b) the president, vice president, or other principal officer, if the applicant is a corporation, (c) a responsible and duly authorized member or officer having knowledge of its affairs, if the applicant is a partnership or other unincorporated organization, or (d) the fiduciary, if the applicant is a trust or estate.

## Some Useful Publications

You may get the following publications for additional information on the subjects covered on this form. To get these and other free forms and publications, call 1-800-TAX-FORM (1-800-829-3676). You should receive your order or notification of its status within 7 to 15 workdays of your call.

**Use your computer.**—If you subscribe to an on-line service, ask if IRS information is available and, if so, how to access it. You can also get information through IRIS, the Internal Revenue Information Services, on FedWorld, a government bulletin board. Tax forms, instructions, publications, and other IRS information, are available through IRIS.

IRIS is accessible directly by calling 703-321-8020. On the Internet, you telnet to fedworld.gov. or, for file transfer protocol services, connect to ftp.fedworld.gov. If you are using the WorldWide Web, connect to <http://www.ustreas.gov>

FedWorld's help desk offers technical assistance on accessing IRIS (not tax help) during regular business hours at 703-487-4608. The IRIS menus offer information on available file formats and software needed to read and print files. You must print the forms to use them; the forms are not designed to be filled out on-screen.

Tax forms, instructions, and publications are also available on CD-ROM, including prior-year forms starting with the 1991 tax year. For ordering information and software requirements, contact the Government Printing Office's Superintendent of Documents (202-512-1800) or Federal Bulletin Board (202-512-1387).

**Pub. 1635,** Understanding Your EIN

**Pub. 15,** Employer's Tax Guide

**Pub. 15-A,** Employer's Supplemental Tax Guide

**Pub. 538,** Accounting Periods and Methods

**Pub. 541,** Tax Information on Partnerships

**Pub. 542,** Tax Information on Corporations

**Pub. 557,** Tax-Exempt Status for Your Organization

**Pub. 583,** Starting a Business and Keeping Records

**Package 1023,** Application for Recognition of Exemption

**Package 1024,** Application for Recognition of Exemption Under Section 501(a) or for Determination Under Section 120

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

<b>Recordkeeping</b> . . . . .	7 min.
<b>Learning about the law or the form</b> . . . . .	18 min.
<b>Preparing the form</b> . . . . .	45 min.
<b>Copying, assembling, and sending the form to the IRS</b> . . . . .	20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. Do not send this form to this address. Instead, see **Where To Apply** on page 2.

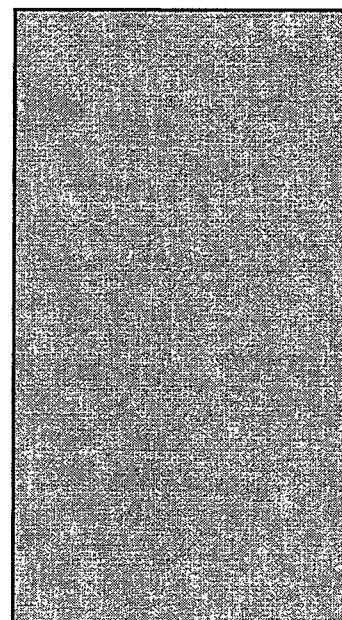
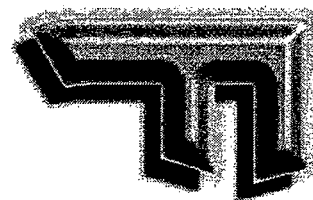
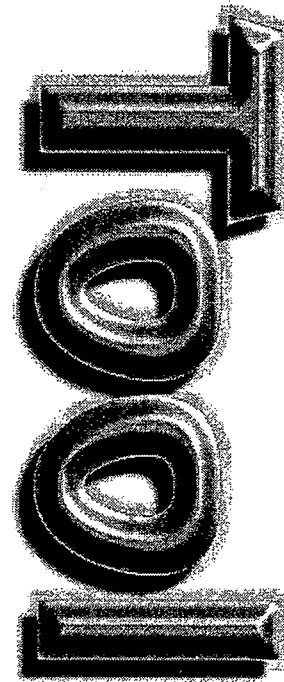


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**IRS  
Instructions  
and Forms  
1023, 872-C,  
and 8718 for  
Applying for  
Recognition  
of Tax-Exempt  
Status**

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**-Tool F2-**



Department of the Treasury  
Internal Revenue Service

# Application for Recognition of Exemption

Under Section  
501(c)(3) of the  
Internal Revenue Code

## Contents:

Form 1023 and  
Instructions  
Form 872-C

**Note:** For the addresses for filing **Form 1023**, see **Form 8718**, User Fee for Exempt Organization Letter Request. For obtaining an employer identification number (EIN), see **Form SS-4**, Application for Employer Identification Number.

**Package 1023**  
**(Rev. April 1996)**





# Department of the Treasury Internal Revenue Service

## Instructions for Form 1023

(Revised April 1996)

### Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

Section references are to the Internal Revenue Code unless otherwise noted.

**Note:** Retain a copy of the completed Form 1023 in the organization's permanent records. See **Public Inspection of Form 1023** regarding public inspection of approved applications.

**Paperwork Reduction Act Notice.**—We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

The organization is not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of the Form 1023 application are covered in Code section 6104.

The time needed to complete and file these forms will vary depending on individual circumstances. The estimated average times are:

Form	Recordkeeping	Learning about the law or the form	Preparing, and sending the form to IRS
1023 Parts I to IV	55 hr., 29 min.	4 hr., 37 min.	8 hr., 7 min.
1023 Sch. A	7 hr., 10 min.	-0- min.	7 min.
1023 Sch. B	4 hr., 47 min.	30 min.	36 min.
1023 Sch. C	5 hr., 1 min.	35 min.	43 min.
1023 Sch. D	4 hr., 4 min.	42 min.	47 min.
1023 Sch. E	9 hr., 20 min.	1 hr., 5 min.	1 hr., 17 min.
1023 Sch. F	2 hr., 39 min.	2 hr., 53 min.	3 hr., 3 min.
1023 Sch. G	2 hr., 38 min.	-0- min.	2 min.
1023 Sch. H	1 hr., 55 min.	42 min.	46 min.
1023 Sch. I	3 hr., 35 min.	-0- min.	4 min.
872-C	1 hr., 26 min.	24 min.	26 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the application to this address. Instead, see **Where To File** on page 2.

## General Instructions

**User fee.**—A user fee must be paid with determination letter requests submitted to the Internal Revenue Service. **Form 8718**, User Fee for Exempt Organization Determination Letter Request, must be submitted with this application along with the appropriate fee as stated on Form 8718. Form 8718 may be obtained through your local IRS office or by calling the telephone number given below for obtaining forms and publications.

**Helpful information.**—For additional information, get **Pub. 557**, Tax-Exempt Status for Your Organization; **Pub. 578**, Tax Information for Private Foundations and Foundation Managers; and **Pub. 598**, Tax on Unrelated Business Income of Exempt Organizations. You may also call 1-800-829-4477 to listen to recorded tax information. A touch-tone telephone is required. **Topic #310**, Tax-exempt status for organizations, and **Topic #311**, How to apply for exempt status, are informative. These topic numbers may change. If so, listen to the directory of topics for the new topic numbers or refer to the

instructions for a current **Form 1040**, U.S. Individual Income Tax Return, for the updated list of Tele-Tax Topics. For additional forms and publications, call 1-800-829-3676 (1-800-Tax-Form).

## Purpose of Form

**1. Completed Form 1023 required for section 501(c)(3) exemption.**—Unless it meets either of the exceptions in item 2 below, or notifies the IRS that it is applying for recognition of section 501(c)(3) exempt status, no organization formed after October 9, 1969, will be considered tax-exempt under section 501(c)(3).

An organization notifies the IRS by filing a completed Form 1023. Form 1023 also solicits the information that the IRS needs to determine if the organization is a private foundation.

**2. Organizations not required to file Form 1023.**—The following organizations will be considered tax-exempt under section 501(c)(3) even if they do not file Form 1023: (a) churches, their integrated auxiliaries, and conventions or associations of churches, or (b) any organization that is not a private foundation (as defined in section 509(a)) and that has gross receipts in each taxable year of normally not more than \$5,000.

Even if these organizations are not required to file Form 1023 to be tax-exempt, they may wish to file Form 1023 and receive a determination letter of IRS recognition of their section 501(c)(3) status to obtain certain incidental benefits such as public recognition of their tax-exempt status; exemption from certain state taxes; advance assurance to donors of deductibility of contributions; exemption from certain Federal excise taxes; nonprofit mailing privileges, etc.

**3. Other organizations.**—In applying for a determination letter, cooperative service organizations, described in section 501(e) and (f), and child care organizations, described in section 501(k), use Form 1023 and are treated as section 501(c)(3) organizations.

**4. Group exemption letter.**—Generally, Form 1023 is not used to apply for a group exemption letter. For information on how to apply for a group exemption letter, see Pub. 557.

## What To File

All applicants must complete pages 1 through 9 of Form 1023. The following organizations must also complete the schedules or form indicated:

1. Churches — Schedule A
2. Schools — Schedule B
3. Hospitals and Medical Research — Schedule C
4. Supporting Organizations (509(a)(3)) — Schedule D
5. Private Operating Foundations — Schedule E
6. Homes for the Aged or Handicapped — Schedule F
7. Child Care — Schedule G
8. Scholarship Benefits or Student Aid — Schedule H
9. Organizations that have taken over or will take over a "for profit" institution — Schedule I
10. Organizations requesting an advance ruling in Part III, Line 11 — Form 872-C

**Attachments.**—State on each attachment that it relates to Form 1023 and identify the applicable part and line item number. Also show on each attachment the organization's name, address, and employer identification number (EIN). Use 8½ by 11 inch paper for attachments.

In addition to the required documents and statements, include with the application any additional information citing court decisions, rulings, opinions, etc., that will expedite processing of the application. Generally, attachments in the form of tape recordings are not acceptable unless accompanied by a transcript.

## When To File

An organization formed after October 9, 1969, must file Form 1023 to be recognized as an organization described in section 501(c)(3). Generally, if an organization files its application within 15 months after the end of the month in which it was formed, and if the IRS approves the application, the effective date of the organization's section 501(c)(3) status will be the date it was organized.

Generally, if an organization does not file its application (Form 1023) within 15 months after the end of the month in which it was formed, it will not qualify for exempt status during the period before the date of its application. For exceptions and special rules, including automatic extensions in some cases, see Part III of Form 1023.

## Where To File

File the completed application, and all information required, with the IRS key district office for the organization's principal place of business or office as listed in Form 8718. As soon as possible after the complete application is received, you will be advised of the IRS's determination and of the annual returns (if any) that the organization will be required to file.

## Signature Requirements

An officer, a trustee who is authorized to sign, or another person authorized by a power of attorney must sign this application. Send the power of attorney with the application when you file it. **Form 2848**, Power of Attorney and Declaration of Representative, may be used for this purpose.

## Deductibility of Contributions

Deductions for charitable contributions are not allowed for any gifts or bequests made to organizations that do not qualify under section 501(c)(3). The effective date of an organization's section 501(c)(3) status determines the date that contributions to it are deductible by donors. (See **When To File** on page 1.)

Contributions by U.S. residents to foreign organizations generally are not deductible. Tax treaties between the U.S. and certain foreign countries provide limited exceptions. Foreign organizations (other than those in Canada or Mexico) claiming eligibility to receive contributions deductible by U.S. residents must attach an English copy of the U.S. tax treaty that provides for such deductibility.

## Public Inspection of Form 1023

**IRS responsibilities.**—If the application is approved, it and any supporting documents will be open to public inspection in any key district office and in the Internal Revenue Service's National Office, as required by section 6104. In addition, any letter or other document issued by the IRS with regard to the application will be open to public inspection. However, information relating to a trade secret, patent, style of work, or apparatus that, if released, would adversely affect the organization, or any other information that would adversely affect the national defense, will not be made available for public inspection. Applicants must identify this information by clearly marking it "NOT SUBJECT TO PUBLIC INSPECTION" and attach a statement explaining why the organization asks that the information be withheld. If the IRS agrees, the information will be withheld.

**Organization's responsibilities.**—The organization must make available for public inspection a copy of its approved application and supporting documents, along with any document or letter issued by the IRS. These must be available during regular business hours at the organization's principal office and at each of its regional or district offices having at least three paid employees. See Notice 88-120, 1988-2 C.B. 454. If any person under a duty to comply with the inspection provisions fails to comply with these requirements, a penalty of \$10 a day will be imposed for each day the failure continues.

## Appeal Procedures

The organization's application will be considered by the key district office which will either:

1. Issue a favorable determination letter;
2. Issue a proposed adverse determination letter denying the exempt status requested; or
3. Refer the case to the National Office.

If we send you a proposed adverse determination, we will advise you of your appeal rights at that time.

## Language and Currency Requirements

Form 1023 and attachments must be prepared in English. If the organizational document or bylaws are in any other language, an English translation must be furnished. If the organization produces or distributes foreign language publications that are submitted with the application, you may be asked to provide English translations for one or more of them during the processing of the application.

Report all financial information in U.S. dollars (specify the conversion rate used). Combine amounts from within and outside the United States and report the total for each item on the financial statements.

For example:

Gross Investment Income	
From U.S. sources	\$4,000
From non-U.S. sources	<u>1,000</u>
Amount to report on income statement	\$5,000

## Annual Information Return

If the annual information return for tax-exempt organizations becomes due while its application for recognition of exempt status is pending with the IRS (including any appeal of a proposed adverse determination), the organization should file **Form 990**, Return of Organization Exempt From Income Tax, (or **Form 990-EZ**, Short Form Return of Organization Exempt From Income Tax) and if required, **Schedule A (Form 990)**, Organization Exempt Under Section 501(c)(3), or **Form 990-PF**, Return of Private Foundation, if a private foundation, and indicate that an application is pending.

## Special Rule for Canadian Colleges and Universities

A Canadian college or university that has received a **Form T2051**, Notification of Registration, from Revenue Canada (Department of National Revenue, Taxation) and whose registration has not been revoked, does not have to complete all parts of **Form 1023** that would otherwise be applicable. Such an organization must complete only Part I of **Form 1023** and **Schedule B (Schools, Colleges, and Universities)**. The organization must also attach a copy of its **Form T2050**, Application for Registration, together with all the required attachments that it submitted to Revenue Canada. If any attachments were prepared in French, an English translation must be furnished.

Other Canadian organizations seeking a determination of section 501(c)(3) status must complete **Form 1023** in the same manner as U.S. organizations.

## Specific Instructions

The following instructions are keyed to the line items on the application form:

### Part I. Identification of Applicant

**Line 1. Full name and address of organization.**—Enter the organization's name exactly as it appears in its creating document including amendments. If the organization will be operating under another name, show the other name in parentheses. Enter your nine-digit ZIP code.

If the organization's address is outside the United States or its possessions or territories, enter the information on the line for "City or town, state, and ZIP code" in the following order: city, province or state, foreign postal code, and the name of the foreign country. **Do not** abbreviate the country name.

**Line 2. Employer identification number (EIN).**—All organizations must have an EIN. Enter the nine-digit EIN assigned to the organization by the IRS. If the organization does **not** have an EIN, get **Form SS-4**, Application for Employer Identification Number, for details on how to obtain an EIN immediately by telephone. If the organization has previously applied for a number, enter "applied for" and attach a statement giving the date of the application and the office where it was filed. **Do not** apply for an EIN more than once.

**Line 3. Person to contact.**—Enter the name and telephone number of the person to contact during business hours if more information is needed. The contact person should be an officer, director, or a person with power of attorney who is familiar with the organization's activities and is authorized to act on its behalf. Attach **Form 2848** or other power of attorney.

**Line 4. Month the annual accounting period ends.**—Enter the month the organization's annual accounting period ends. The accounting period is usually the 12-month period that is the organization's tax year. The organization's first tax year depends on the accounting period chosen. (The first tax year could be less than 12 months).

**Line 5. Date formed.**—Enter the date the organization became a legal entity. For a corporation, this is the date that the articles of incorporation were approved by the appropriate state official. For an unincorporated organization, it is the date its constitution or articles of association were adopted.

**Line 6. Activity codes.**—Select up to three of the code numbers listed on the back cover that best describe or most accurately identify the organization's purposes, activities, or type of organization. Enter the codes in the order of importance.

**Line 7.**—Indicate if the organization is one of the following:

- 501(e) Cooperative hospital service organization;
- 501(f) Cooperative service organization of operating educational organization;
- 501(k) Organization providing child care.

If none of the above applies, make no entry on line 7.

**Line 8.**—Indicate if the organization has ever filed a Form 1023 or Form 1024, Application for Recognition of Exemption Under Section 501(a), with the IRS.

**Line 9.**—If the organization for which this application is being filed is a private foundation, answer "N/A." If the organization is not required to file Form 990 (or Form 990-EZ) and is not a private foundation, answer "No" and attach an explanation. Get the Form 990 Instructions and refer to page 2 for a discussion of organizations not required to file Form 990 (or Form 990-EZ). Otherwise, answer "Yes."

**Line 10.**—Indicate if the organization has ever filed Federal income tax returns as a taxable organization or filed returns as an exempt organization (e.g., Form 990, 990-EZ, 990-PF, or 990-T, Exempt Organization Business Income Tax Return).

**Line 11. Type of organization and organizational documents.**—

Submit a conformed copy of the organizing instrument. If the organization does not have an organizing instrument, it will not qualify for exempt status. A conformed copy is one that agrees with the original and all amendments to it. The conformed copy may be a photocopy of the original signed and dated organizing document OR it may be a copy of the organizing document that is not signed but is accompanied by a written declaration signed by an authorized individual stating that the copy is a complete and accurate copy of the original signed and dated document.

In the case of a corporation, a copy of the articles of incorporation, approved and dated by an appropriate state official, is sufficient by itself. If an unsigned copy of the articles of incorporation is submitted, it must be accompanied by the written declaration discussed above. Signed or unsigned copies of the articles of incorporation must be accompanied by a declaration stating that the original copy of the articles was filed with, and approved by, the state. The date filed must be specified.

In the case of an unincorporated association, the conformed copy of the constitution, articles of association, or other organizing document must indicate in the document itself, or in a written declaration, that the organization was formed by the adoption of the document by two or more persons.

If the organization has adopted bylaws, include a current copy. The bylaws need not be signed if submitted as an attachment to the application for recognition of exemption. The bylaws of an organization alone are not an organizing instrument. They are merely the internal rules and regulations of the organization.

In the case of a trust, a copy of the signed and dated trust instrument must be furnished.

For your organization to qualify for exempt status, its organizing instrument must contain a proper dissolution clause, or state law must provide for distribution of assets for one or more exempt (section 501(c)(3)) purposes upon dissolution. If you rely on state law, please cite the law and briefly state its provisions on an attachment. Foreign organizations must cite and attach a copy of the foreign statute along with an English language translation.

See Pub. 557 for a discussion of dissolution clauses under the heading, **Dedication and Distribution of Assets**. Examples of dissolution clauses are shown in the sample organizing instruments.

The organizing instrument must also specify the organizational purposes and the purposes specified must be limited to one or more of those set out in section 501(c)(3). See Pub. 557 for detailed instructions for sample organizing instruments that satisfy the requirements of section 501(c)(3) and the related regulations.

## Part II. Activities and Operational Information

**Line 1.**—It is important that you report all activities carried on by the organization to enable the IRS to make a proper determination of the organization's exempt status.

**Line 2.**—If it is anticipated that the organization's principal sources of support will increase or decrease substantially in relation to the organization's total support, attach a statement describing anticipated changes and explaining the basis for the expectation.

**Line 3.**—For purposes of providing the information requested on line 3, "fundraising activity" includes the solicitation of contributions and both functionally related activities and unrelated business activities. Include a description of the nature and magnitude of the activities.

**Line 4a.**—Furnish the mailing addresses of the organization's principal officers, directors, or trustees. Do not give the address of the organization.

**Line 4b.**—The annual compensation includes salary, bonus, and any other form of payment to the individual for services while employed by the organization.

**Line 4c.**—Public officials include anyone holding an elected position or anyone appointed to a position by an elected official.

**Line 4d.**—For purposes of this application, a "disqualified person" is any person who, if the applicant organization were a private foundation, is:

1. A "substantial contributor" to the foundation (defined below);
2. A foundation manager;
3. An owner of more than 20% of the total combined voting power of a corporation that is a substantial contributor to the foundation;

4. A "member of the family" of any person described in 1, 2, or 3 above;

5. A corporation, partnership, or trust in which persons described in 1, 2, 3, or 4 above, hold more than 35% of the combined voting power, the profits interest, or the beneficial interests; and

6. Any other private foundation that is effectively controlled by the same persons who control the first-mentioned private foundation or any other private foundation substantially all of whose contributions were made by the same contributors.

A substantial contributor is any person who gave a total of more than \$5,000 to the organization, and those contributions are more than 2% of all the contributions and bequests received by the organization from the date it was created up to the end of the year the contributions by the substantial contributor were received. A creator of a trust is treated as a substantial contributor regardless of the amount contributed by that person or others.

See Pub. 578 for more information on "disqualified persons."

**Line 5.**—If your organization controls or is controlled by another exempt organization or a taxable organization, answer "Yes." "Control" means that:

1. Fifty percent (50%) or more of the filing organization's officers, directors, trustees, or key employees are also officers, directors, trustees, or key employees of the second organization being tested for control;
2. The filing organization appoints 50% or more of the officers, directors, trustees, or key employees of the second organization; or
3. Fifty percent (50%) or more of the filing organization's officers, directors, trustees, or key employees are appointed by the second organization.

Control exists if the 50% test is met by any one group of persons even if collectively the 50% test is not met. Examples of special relationships are common officers and the sharing of office space or employees.

**Line 6.**—If the organization conducts any financial transactions (either receiving funds or paying out funds), or nonfinancial activities with an exempt organization (other than a 501(c)(3) organization), or with a political organization, answer "Yes," and explain.

**Line 7.**—If the organization must report its income and expense activity to any other organization (tax-exempt or taxable entity), answer "Yes."

**Line 8.**—Examples of assets used to perform an exempt function are: land, building, equipment, and publications. Do not include cash or property producing investment income. If you have no assets used in performing the organization's exempt function, answer "N/A."

**Line 10a.**—If the organization is managed by another exempt organization, a taxable organization, or an individual, answer "Yes."

**Line 10b.**—If the organization leases property from anyone or leases any of its property to anyone, answer "Yes."

**Line 11.**—A membership organization for purposes of this question is an organization that is composed of individuals or organizations who:

1. Share in the common goal for which the organization was created;
2. Actively participate in achieving the organization's purposes; and
3. Pay dues.

**Line 12.**—Examples of benefits, services, and products are: meals to homeless people, home for the aged, museum open to the public, and a symphony orchestra giving public performances.

**Note:** Organizations that provide low-income housing should see Rev. Proc. 96-32, 1996-20 I.R.B. 14, for a "safe harbor" and an alternative facts and circumstances test to be used in completing line 12.

**Line 13.**—An organization is attempting to influence legislation if it contacts or urges the public to contact members of a legislative body, for the purpose of proposing, supporting, or opposing legislation, or if it advocates the adoption or rejection of legislation.

If you answer "Yes," you may want to file Form 5768, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation.

**Line 14.**—An organization is intervening in a political campaign if it promotes or opposes the candidacy or prospective candidacy of an individual for public office.

### Part III. Technical Requirements

**Line 1.**—If you check "Yes," proceed to line 8. If you check "No," proceed to line 2.

**Line 2a.**—To qualify as an integrated auxiliary, an organization must not be a private foundation and must satisfy the affiliation and support tests of Regulations section 1.6033-2(h).

**Line 3.**—Relief from the 15-month filing requirement is granted automatically if the organization submits a completed Form 1023 within 12 months from the end of the 15-month period.

**Line 4.**—See Rev. Proc. 92-85, 1992-2 C.B. 490, for information about an extension beyond the 27-month period. According to section 5.01 of Rev. Proc. 92-85, the IRS will allow an organization an extension of time to file a Form 1023 application under a reasonable action and good-faith standard. In such case, the organization does not need to provide any further information or affidavits provided that it files its application before the IRS has discovered the organization's failure to file an application.

**Line 5.**—The reasons for late filing should be specific to your particular organization and situation. Rev. Proc. 92-85 lists the factors the IRS will consider in determining if good cause exists for granting an extension of time to file the application. (Also see Pub. 557.) To address these factors, your response on line 5 should provide the following information:

1. Whether the organization consulted an attorney or accountant knowledgeable in tax matters or communicated with a responsible IRS employee (before or after the organization was created) to ascertain the organization's Federal filing requirements and, if so, the names and occupations or titles of the persons contacted, the approximate dates, and the substance of the information obtained;

2. How and when the organization learned about the 15-month deadline for filing Form 1023;

3. Whether any significant intervening circumstances beyond the organization's control prevented it from submitting the application timely or within a reasonable period of time after it learned of the requirement to file the application within the 15-month period; and

4. Any other information that you believe may establish good cause for not filing timely or otherwise justify granting the relief sought.

**Line 7.**—The organization may still be able to qualify for exemption under section 501(c)(4) for the period preceding the effective date of its exemption as a section 501(c)(3) organization. If the organization is qualified under section 501(c)(4) and page 1 of Form 1024 is filed as directed, the organization will not be liable for income tax returns as a taxable entity. Contributions to section 501(c)(4) organizations are generally not deductible by donors as charitable contributions.

**Line 8.**—Private foundations are subject to various requirements, restrictions, and excise taxes under Chapter 42 of the Code that do not apply to public charities. Also, contributions to private

foundations may receive less favorable treatment than contributions to public charities. See Pub. 578. Therefore, it is usually to an organization's advantage to show that it qualifies as a public charity rather than as a private foundation if its activities or sources of support permit it to do so. Unless an organization meets one of the exceptions below, it is a private foundation. In general, an organization is **not** a private foundation if it is:

1. A church, school, hospital, or governmental unit;
2. A medical research organization operated in conjunction with a hospital;
3. An organization operated for the benefit of a college or university that is owned or operated by a governmental unit;
4. An organization that normally receives a substantial part of its support in the form of contributions from a governmental unit or from the general public as provided in section 170(b)(1)(A)(vi);
5. An organization that normally receives not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts related to its exempt functions (subject to certain exceptions) as provided in section 509(a)(2);
6. An organization operated solely for the benefit of, and in connection with, one or more organizations described above (or for the benefit of one or more of the organizations described in section 501(c)(4), (5), or (6) of the Code and also described in 5 above), but not controlled by disqualified persons other than foundation managers, as provided in section 509(a)(3); or
7. An organization organized and operated to test for public safety as provided in section 509(a)(4).

**Line 9.**—Basis for private operating foundation status: (Complete this line **only** if you answered "Yes" to the question on line 8.)

A "private operating foundation" is a private foundation that spends substantially all of its adjusted net income or its minimum investment return, whichever is less, directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated. The foundation must satisfy the income test and one of the three supplemental tests: (1) the assets test; (2) the endowment test; or (3) the support test. For additional information, see Pub. 578.

**Line 10.**—Basis for nonprivate foundation status: Check the box that shows why your organization is not a private foundation.

**Box (a).** A church or convention or association of churches.

**Box (b).** A school.—See the definition in the instructions for Schedule B.

**Box (c).** A hospital or medical research organization.—See the instructions for Schedule C.

**Box (d).** A governmental unit.—This category includes a state, a possession of the United States, or a political subdivision of any of the foregoing, or the United States, or the District of Columbia.

**Box (e).** Organizations operated in connection with or solely for organizations described in (a) through (d) or (g), (h), and (i).—The organization must be organized and operated for the benefit of, to perform the functions of, or to carry out the purposes of one or more specified organizations described in section 509(a)(1) or (2). It must be operated, supervised, or controlled by or in connection with one or more of the organizations described in the instructions for boxes (a) through (d) or (g), (h), and (i). It must not be controlled directly or indirectly by disqualified persons (other than foundation managers or organizations described in section 509(a)(1) or (2)). To show whether the organization satisfies these tests, complete Schedule D.

**Box (f).** An organization testing for public safety.—An organization in this category is one that tests products to determine their acceptability for use by the general public. It does not include any organization testing for the benefit of a manufacturer as an operation or control in the manufacture of its product.

**Box (g).** Organization for the benefit of a college or university owned or operated by a governmental unit.—The organization must be organized and operated exclusively for the benefit of a college or university that is an educational organization within the meaning of section 170(b)(1)(A)(ii) and is an agency or instrumentality of a state or political subdivision of a state; is owned or operated by a state or political subdivision of a state; or is owned or operated by an agency or instrumentality of one or more states or political subdivisions. The organization must also normally receive a substantial part of its support from the United States or any state or political subdivision of a state, or from direct or indirect contributions from the general

public or from a combination of these sources. An organization described in section 170(b)(1)(A)(iv) will be subject to the same publicly supported rules that are applicable to 170(b)(1)(A)(vi) organizations described in box (h) below.

**Box (h). Organization receiving support from a governmental unit or from the general public.**—The organization must receive a substantial part of its support from the United States or any state or political subdivision, or from direct or indirect contributions from the general public, or from a combination of these sources. The organization may satisfy the support requirement in either of two ways. It will be treated as publicly supported if the support it normally receives from the above-described governmental units and the general public equals at least one-third of its total support. It will also be treated as publicly supported if the support it normally receives from governmental or public sources equals at least 10% of total support and the organization is set up to attract new and additional public or governmental support on a continuous basis. If the organization's governmental and public support is at least 10%, but not over one-third of its total support, the questions on lines 1 through 14 of Part II will apply to determine both the organization's claim of exemption and whether it is publicly supported. Preparers should exercise care to assure that those questions are answered in detail.

**Box (i). Organization described in section 509(a)(2).**—The organization must satisfy the support test under section 509(a)(2)(A) and the gross investment income test under section 509(a)(2)(B). To satisfy the support test, the organization must normally receive more than one-third of its support from: (a) gifts, grants, contributions, or membership fees, and (b) gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities, in an activity that is not an unrelated trade or business (subject to certain limitations discussed below). This one-third of support must be from organizations described in section 509(a)(1), governmental sources, or persons other than disqualified persons. In computing gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities in an activity that is not an unrelated trade or business, the gross receipts from any one person or from any bureau or similar agency of a governmental unit are includable only to the extent they do not exceed the greater of \$5,000 or 1% of the organization's total support. To satisfy the gross investment income test, the organization must not receive more than one-third of its support from gross investment income.

**Box (j).**—If you believe the organization meets the public support test of section 170(b)(1)(A)(vi) or 509(a)(2) but are uncertain as to which public support test it satisfies, check box (j). By checking this box, you are claiming that the organization is not a private foundation and are agreeing to let the IRS compute the public support of your organization and determine the correct foundation status.

**Line 11.**—To receive a definitive (final) ruling under sections 170(b)(1)(A)(vi) and 509(a)(1) or under section 509(a)(2), an organization must have completed a tax year consisting of at least 8 months. Organizations that checked box (h), (i), or (j) on line 10 that do not satisfy the 8-month requirement must request an advance ruling covering their first 5 tax years instead of a definitive ruling.

An organization that satisfies the 8-month requirement has two options:

1. It may request a definitive ruling. In this event, the organization's qualification under sections 170(b)(1)(A)(vi) and 509(a)(1) or under section 509(a)(2) will be based on the support that the organization has received to date; or

2. It may request an advance ruling. If the IRS issues the advance ruling, the organization's public support computation will be based on the support it receives during its first 5 tax years. An organization should consider this option if it has not received significant public support during its first tax year or during its first and second tax years, but it reasonably expects to receive such support by the end of its fifth tax year. An organization that receives an advance ruling is treated, during the 5-year advance ruling period, as a public charity (rather than a private foundation) for certain purposes, including those relating to the deductibility of contributions by the general public.

**Line 12.**—For definition of an unusual grant, see instructions for Part IV-A, line 12.

**Line 13.**—Answer this question only if you checked box (g), (h), or (j) on line 10.

**Line 14.**—Answer the question on this line only if you checked box (i) or (j) on line 10 and are requesting a definitive ruling on line 11.

**Line 15.**—Answer "Yes" or "No" on each line. If "Yes," you must complete the appropriate schedule. Each schedule is included in this application package with accompanying instructions. For a brief definition of each type of organization, see the appropriate schedule.

## Part IV. Financial Data

The Statement of Revenue and Expenses must be completed for the current year and each of the 3 years immediately before it (or the years the organization has existed, if less than 4). Any applicant that has existed for less than 1 year must give financial data for the current year and proposed budgets for the following 2 years. We may request financial data for more than 4 years if necessary. All financial information for the current year must cover the period beginning on the first day of the organization's established annual accounting period and ending on any day that is within 60 days of the date of this application. If the date of this application is less than 60 days after the first day of the current accounting period, no financial information is required for the current year. Financial information is required for the 3 preceding years regardless of the current year requirements. Please note that if no financial information is required for the current year, the preceding year's financial information can end on any day that is within 60 days of the date of this application. Prepare the statements using the method of accounting and the accounting period (entered on line 4 of Part I) the organization uses in keeping its books and records. If the organization uses a method other than the cash receipts and disbursements method, attach a statement explaining the method used.

### A. Statement of Revenue and Expenses

**Line 1.**—Do not include amounts received from the general public or a governmental unit for the exercise or performance of the organization's exempt functions. However, payments made by a governmental unit to enable the organization to provide a service to the general public should be included. Also, do not include unusual grants. For an explanation of unusual grants, see the discussion for **Line 12** on the following page.

**Line 2.**—Include amounts received from members for the basic purpose of providing support to the organization. These are considered to be contributions. Do not include payments to purchase admissions, merchandise, services, or use of facilities.

**Line 3.**—Include on this line the income received from dividends, interest, and payments received on securities loans, rents, and royalties.

**Line 4.**—Enter the organization's net income from any activities that are regularly carried on and are not related to the organization's exempt purposes. Examples of such income include fees from the commercial testing of products; income from renting office equipment or other personal property; and income from the sale of advertising in an exempt organization's periodical. See Pub. 598 for information about unrelated business income and activities.

**Line 5.**—Enter the amount collected by the local tax authority from the general public that has been allocated for your organization.

**Line 6.**—To report the value of services and/or facilities furnished by a governmental unit, use the fair market value at the time the service/facility was furnished to your organization. Do not include any other donated services or facilities in Part IV.

**Line 7.**—Enter the total income from all sources that is not reported on lines 1 through 6, or lines 9, 11, and 12. Attach a schedule that lists each type of revenue source and the amount derived from each.

**Line 9.**—Include income generated by the organization's exempt function activities (charitable, educational, etc.) and by its nontaxable fundraising events (excluding any contributions received). Examples of such income include the income derived by a symphony orchestra from the sale of tickets to its performances; and raffles, bingo, or other fundraising-event income that is not taxable as unrelated business income because the income-producing activities are not regularly carried on or because they are conducted with substantially all (at least 85%) volunteer labor. Record related cost of sales on line 22, Other.

**Line 11.**—Attach a schedule that shows a description of each asset, the name of the person to whom sold, and the amount received. In the case of publicly traded securities sold through a broker, the name of the purchaser is not required.

**Line 12.**—Unusual grants generally consist of substantial contributions and bequests from disinterested persons that:

1. Are attracted by reason of the publicly supported nature of the organization;
2. Are unusual and unexpected as to the amount; and
3. Would, by reason of their size, adversely affect the status of the organization as normally meeting the support test of section 170(b)(1)(A)(vi) or section 509(a)(2), as the case may be.

If the organization is awarded an unusual grant and the terms of the granting instrument provide that the organization will receive the funds over a period of years, the amount received by the organization each year under the grant may be excluded. See the regulations under sections 170 and 509.

**Line 14.**—Fundraising expenses represent the total expenses incurred in soliciting contributions, gifts, grants, etc.

**Line 15.**—Attach a schedule showing the name of the recipient, a brief description of the purposes or conditions of payment, and the amount paid. The following example shows the format and amount of detail required for this schedule:

Recipient	Purpose	Amount
Museum of Natural History	General operating budget	\$9,000
State University	Books for needy students	4,500
Richard Roe	Educational scholarship	2,200

Colleges, universities, and other educational institutions and agencies subject to the Family Educational Rights and Privacy Act (20 U.S.C. 1232g) are not required to list the names of individuals who were provided scholarships or other financial assistance where such disclosure would violate the privacy provisions of the law. Instead, such organizations should group each type of financial aid provided, indicate the number of individuals who received the aid, and specify the aggregate dollar amount.

**Line 16.**—Attach a schedule showing the name of each recipient, a brief description of the purposes or condition of payment, and amount paid. Do not include any amounts that are on line 15. The schedule should be similar to the schedule shown in the line 15 instructions above.

**Line 17.**—Attach a schedule that shows the name of the person compensated; the office or position; the average amount of time devoted to the organization's affairs per week, month, etc.; and the amount of annual compensation. The following example shows the format and amount of detail required:

Name	Position	Time devoted	Annual salary
Philip Poe	President and general manager	16 hrs. per wk.	\$7,500

**Line 18.**—Enter the total of employees' salaries not reported on line 17.

**Line 19.**—Enter the total interest expense for the year, excluding mortgage interest treated as occupancy expense on line 20.

**Line 20.**—Enter the amount paid for the use of office space or other facilities, heat, light, power, and other utilities, outside janitorial services, mortgage interest, real estate taxes, and similar expenses.

**Line 21.**—If your organization records depreciation, depletion, and similar expenses, enter the total.

**Line 22.**—Attach a schedule listing the type and amount of each significant expense for which a separate line is not provided. Report other miscellaneous expenses as a single total if not substantial in amount.

## B. Balance Sheet

**Line 1.**—Enter the total cash in checking and savings accounts, temporary cash investments (money market funds, CDs, treasury bills, or other obligations that mature in less than 1 year), change funds, and petty cash funds.

**Line 2.**—Enter the total accounts receivable that arose from the sale of goods and/or performance of services, less any reserve for bad debt.

**Line 3.**—Enter the amount of materials, goods, and supplies purchased or manufactured by the organization and held to be sold or used in some future period.

**Line 4.**—Attach a schedule that shows the name of the borrower, a brief description of the obligation, the rate of return on the principal indebtedness, the due date, and the amount due. The following example shows the format and amount of detail required:

Name of borrower	Description of obligation	Rate of return	Due date	Amount
Hope Soap Corporation	Debenture bond (no senior issue outstanding)	10%	Jan. 2004	\$ 7,500
Big Spool Company	Collateral note secured by company's fleet of 20 delivery trucks	12%	Jan. 2003	62,000

**Line 5.**—Attach a schedule listing the organization's corporate stock holdings. For stock of closely held corporations, the statement should show the name of the corporation, a brief summary of the corporation's capital structure, and the number of shares held and their value as carried on the organization's books. If such valuation does not reflect current fair market value, also include fair market value. For stock traded on an organized exchange or in substantial quantities over the counter, the statement should show the name of the corporation, a description of the stock and the principal exchange on which it is traded, the number of shares held, and their value as carried on the organization's books. The following example shows the format and the amount of detail required:

Name of corporation	Capital structure (or exchange on which traded)	Shares	Book amount	Fair market value
Little Spool Corporation	100 shares nonvoting preferred issued and outstanding, no par value; 50 shares common issued and outstanding, no par value.			
	Preferred shares:	50	\$20,000	\$24,000
	Common shares:	10	25,000	30,000
Flintlock Corporation	Class A common N.Y.S.E.	20	3,000	3,500

**Line 6.**—Report each loan separately, even if more than one loan was made to the same person. Attach a schedule that shows the borrower's name, purpose of loan, repayment terms, interest rate, and original amount of loan.

**Line 7.**—Enter the book value of government securities held (U.S., state, or municipal). Also enter the book value of buildings and equipment held for investment purposes. Attach a schedule identifying and reporting the book value of each.

**Line 8.**—Enter the book value of buildings and equipment **not** held for investment. This includes plant and equipment used by the organization in conducting its exempt activities. Attach a schedule listing these assets held at the end of the current tax year/period and the cost or other basis.

**Line 9.**—Enter the book value of land **not** held for investment.

**Line 10.**—Enter the book value of each category of assets not reported on lines 1 through 9. Attach a schedule listing each.

**Line 12.**—Enter the total of accounts payable to suppliers and others, such as salaries payable, accrued payroll taxes, and interest payable.

**Line 13.**—Enter the unpaid portion of grants and contributions that the organization has made a commitment to pay other organizations or individuals.

**Line 14.**—Enter the total of mortgages and other notes payable outstanding at the end of the current tax year/period. Attach a schedule that shows each item separately and the lender's name, purpose of loan, repayment terms, interest rate, and original amount.

**Line 15.**—Enter the amount of each liability not reported on lines 12 through 14. Attach a separate schedule.

**Line 17.**—Under fund accounting, an organization segregates its assets, liabilities, and net assets into separate funds according to restrictions on the use of certain assets. Each fund is like a separate entity in that it has a self-balancing set of accounts showing assets, liabilities, equity (fund balance), income, and expenses. If the organization does not use fund accounting, report only the "net assets" account balances, such as: capital stock, paid-in capital, and retained earnings or accumulated income.

# Procedural Checklist

## Make sure the application is complete.

If you do not complete all applicable parts or do not provide all required attachments, we may return the incomplete application to your organization for resubmission with the missing information or attachments. This will delay the processing of the application and may delay the effective date of your organization's exempt status. The organization may also incur additional user fees.

### Have you . . .

- \_\_\_\_\_ Attached **Form 8718** (User Fee for Exempt Organization Determination Letter Request) and the appropriate fee?
- \_\_\_\_\_ Located the correct **IRS key district office** for the mailing of the application? (See **Where To File** addresses on Form 8718.) Do **not** file the application with your local Internal Revenue Service Center.
- \_\_\_\_\_ Completed Parts I through IV and any other schedules that apply to the organization?
- \_\_\_\_\_ Shown the organization's **Employer Identification Number (EIN)**?
  - a. If your organization has an EIN, write it in the space provided.
  - b. If this is a newly formed organization and does not have an Employer Identification Number, obtain an EIN by telephone. (See Specific Instructions, Part I, Line 2, on page 2.)
- \_\_\_\_\_ Described your organization's **specific activities** as directed in Part II, line 1, of the application?
- \_\_\_\_\_ Included a **conformed copy** of the complete organizing instrument? (See Specific Instructions, Part I, Line 11, on page 3.)
- \_\_\_\_\_ Had the application signed by one of the following?
  - a. An officer or trustee who is authorized to sign (e.g., president, treasurer); **or**
  - b. A person authorized by a power of attorney (Submit Form 2848, or other power of attorney)
- \_\_\_\_\_ Enclosed **financial statements** (Part IV)?
  - a. Current year (must include period up to within 60 days of the date the application is filed) and 3 preceding years.
  - b. Detailed breakdown of revenue and expenses (no lump sums).
  - c. If the organization has been in existence less than 1 year, you must also submit proposed budgets for 2 years showing the amounts and types of receipts and expenditures anticipated.

**Note:** During the technical review of a completed application by the Employee Plans/Exempt Organizations Division in the key district or by Exempt Organizations Division in the National Office, it may be necessary to contact the organization for more specific or additional information.

**Do not send this checklist with the application.**



**Application for Recognition of Exemption**  
**Under Section 501(c)(3) of the Internal Revenue Code**

OMB No. 1545-0056

If exempt status is  
approved, this  
application will be open  
for public inspection.

Read the instructions for each Part carefully.

**A User Fee must be attached to this application.**

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

**Complete the Procedural Checklist on page 7 of the instructions.**

**Part I Identification of Applicant**

<b>1a</b> Full name of organization (as shown in organizing document)		<b>2</b> Employer identification number (EIN) (If none, see page 2 of the instructions.)  :
<b>1b</b> c/o Name (if applicable)		<b>3</b> Name and telephone number of person to be contacted if additional information is needed  ( )
<b>1c</b> Address (number and street)	Room/Suite	
<b>1d</b> City or town, state, and ZIP code		<b>4</b> Month the annual accounting period ends
<b>5</b> Date incorporated or formed	<b>6</b> Activity codes (See page 3 of the instructions.)	<b>7</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)
<b>8</b> Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach an explanation.		
<b>9</b> Is the organization required to file Form 990 (or Form 990-EZ)? . . . . . <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).		
Has the organization filed Federal income tax returns or exempt organization information returns? . . <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

**11** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions for Part I, Line 11**, on page 3.) Get **Pub. 557, Tax-Exempt Status for Your Organization**, for examples of organizational documents.)

- a ☐ Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b ☐ Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here ► ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

**Please  
Sign  
Here** ►

(Signature)

(Title or authority of signer)

(Date)

**Part II Activities and Operational Information**

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. **Do not refer to or repeat the language in the organizational document.** List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

- 
- 2 What are or will be the organization's sources of financial support? List in order of size.

- 
- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.
-

**Part II** Activities and Operational Information (Continued)

Give the following information about the organization's governing body:

Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

- c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? ☐ Yes ☐ No  
If "Yes," name those persons and explain the basis of their selection or appointment.

- d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions** for Part II, Line 4d, on page 3.) ☐ Yes ☐ No  
If "Yes," explain.

- Does the organization control or is it controlled by any other organization? ☐ Yes ☐ No  
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? ☐ Yes ☐ No  
If either of these questions is answered "Yes," explain.

- 6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? ☐ Yes ☐ No  
If "Yes," explain fully and identify the other organizations involved.

- 7 Is the organization financially accountable to any other organization? ☐ Yes ☐ No  
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

**Part II** Activities and Operational Information (Continued)

- 8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If "None," indicate "N/A."
- 
- 9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? . . . . ☐ Yes ☐ No
- 
- 10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? . . . . ☐ Yes ☐ No
- b Is the organization a party to any leases? . . . . ☐ Yes ☐ No
- If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.
- 
- 11 Is the organization a membership organization? . . . . ☐ Yes ☐ No
- If "Yes," complete the following:
- a Describe the organization's membership requirements and attach a schedule of membership fees and dues.
- b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.
- c What benefits do (or will) the members receive in exchange for their payment of dues?
- 
- 12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? . . . . ☐ N/A ☐ Yes ☐ No
- If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.
- b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? . . . . ☐ N/A ☐ Yes ☐ No
- If "Yes," explain how the recipients or beneficiaries are or will be selected.
- 
- 13 Does or will the organization attempt to influence legislation? . . . . ☐ Yes ☐ No
- If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.
- 
- 14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? . . . . ☐ Yes ☐ No
- If "Yes," explain fully.

**Part III Technical Requirements**

Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? ☐ Yes ☐ No  
 If you answer "Yes," do not answer questions on lines 2 through 7 below.

- 2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 8.

**Exceptions**—You are not required to file an exemption application within 15 months if the organization:

- ☐ a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4;
- ☐ b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- ☐ c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

- 3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "Yes," your organization qualifies under section 4.01 of Rev. Proc. 92-85, 1992-2 C.B. 490, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 7.

If "No," answer question 4.

- 4 If you answer "No" to question 3, has the organization been contacted by the IRS regarding its failure to file Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☐ No

If "No," your organization is requesting an extension of time to apply under the "reasonable action and good faith" requirements of section 5.01 of Rev. Proc. 92-85. Do not answer questions 5 through 7.

If "Yes," answer question 5.

- 5 If you answer "Yes" to question 4, does the organization wish to request relief from the 15-month filing requirement? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application prior to being contacted by the IRS. See Specific Instructions, Line 5, on page 4 before completing this item. Do not answer questions 6 and 7.

If "No," answer question 6.

- 6 If you answer "No" to question 5, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No

- 7 If you answer "Yes" to question 6 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here ☐ and attach a completed page 1 of Form 1024 to this application.

**Part III Technical Requirements (Continued)**

- 8 Is the organization a private foundation?
- ☐ Yes (Answer question 9.)
- ☐ No (Answer question 10 and proceed as instructed.)

- 9 If you answer "Yes" to question 8, does the organization claim to be a private operating foundation?
- ☐ Yes (Complete Schedule E.)
- ☐ No

After answering question 9 on this line, go to line 15 on page 7.

- 10 If you answer "No" to question 8, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:**

- |                            |  |  |
|----------------------------|--|--|
| a <input type="checkbox"/> | As a church or a convention or association of churches<br>(CHURCHES MUST COMPLETE SCHEDULE A.)   | Sections 509(a)(1)<br>and 170(b)(1)(A)(i)                          |
| b <input type="checkbox"/> | As a school (MUST COMPLETE SCHEDULE B.)  | Sections 509(a)(1)<br>and 170(b)(1)(A)(ii)                         |
| c <input type="checkbox"/> | As a hospital or a cooperative hospital service organization, or a<br>medical research organization operated in conjunction with a<br>hospital (MUST COMPLETE SCHEDULE C.)   | Sections 509(a)(1)<br>and 170(b)(1)(A)(iii)                        |
| d <input type="checkbox"/> | As a governmental unit described in section 170(c)(1).   | Sections 509(a)(1)<br>and 170(b)(1)(A)(v)                          |
| e <input type="checkbox"/> | As being operated solely for the benefit of, or in connection with,<br>one or more of the organizations described in a through d, g, h, or i<br>(MUST COMPLETE SCHEDULE D.)  | Section 509(a)(3)  |
| f <input type="checkbox"/> | As being organized and operated exclusively for testing for public<br>safety.  | Section 509(a)(4)  |
| g <input type="checkbox"/> | As being operated for the benefit of a college or university that is<br>owned or operated by a governmental unit.  | Sections 509(a)(1)<br>and 170(b)(1)(A)(iv)                         |
| h <input type="checkbox"/> | As receiving a substantial part of its support in the form of<br>contributions from publicly supported organizations, from a<br>governmental unit, or from the general public.   | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)                         |
| i <input type="checkbox"/> | As normally receiving not more than one-third of its support from<br>gross investment income and more than one-third of its support from<br>contributions, membership fees, and gross receipts from activities<br>related to its exempt functions (subject to certain exceptions). | Section 509(a)(2)  |
| j <input type="checkbox"/> | The organization is a publicly supported organization but is not sure<br>whether it meets the public support test of block h or block i. The<br>organization would like the IRS to decide the proper classification.   | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)<br>or Section 509(a)(2) |

If you checked one of the boxes a through f in question 10, go to question 15. If you checked box g in question 10, go to questions 12 and 13. If you checked box h, i, or j, in question 10, go to question 11.

**Part III Technical Requirements (Continued)**

If you checked box **h**, **i**, or **j** in question 10, has the organization completed a tax year of at least 8 months?

☐ Yes—Indicate whether you are requesting:

☐ A definitive ruling (Answer questions 12 through 15.)

☐ An advance ruling (Answer questions 12 and 15 and attach two Forms 872-C completed and signed.)

☐ No—**You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the application.**

**12** If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

**13** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here ☐ and:

**a** Enter 2% of line 8, column (e), Total, of Part IV-A. \_\_\_\_\_

**b** Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line **13a** above.

**14** If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:

**a** For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)

**b** For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. **Do not submit blank schedules.**)

Yes	No	If "Yes," complete Schedule:
<input type="checkbox"/>	<input type="checkbox"/>	A
<input type="checkbox"/>	<input type="checkbox"/>	B
<input type="checkbox"/>	<input type="checkbox"/>	C
<input type="checkbox"/>	<input type="checkbox"/>	D
<input type="checkbox"/>	<input type="checkbox"/>	E
<input type="checkbox"/>	<input type="checkbox"/>	F
<input type="checkbox"/>	<input type="checkbox"/>	G
<input type="checkbox"/>	<input type="checkbox"/>	H
<input type="checkbox"/>	<input type="checkbox"/>	I

Is the organization a church? . . . . .

Is the organization, or any part of it, a school? . . . . .

Is the organization, or any part of it, a hospital or medical research organization? . . . . .

Is the organization a section 509(a)(3) supporting organization? . . . . .

Is the organization a private operating foundation? . . . . .

Is the organization, or any part of it, a home for the aged or handicapped? . . . . .

Is the organization, or any part of it, a child care organization? . . . . .

Does the organization provide or administer any scholarship benefits, student aid, etc.? . . . .

Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . .

**Part IV Financial Data**

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

		Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
		(a) From..... to	(b) 19.....	(c) 19.....	(d) 19.....	
Revenue	1 Gifts, grants, and contributions received (not including unusual grants—see pages 5 and 6 of the instructions) . . . . .					
	2 Membership fees received . . . . .					
	3 Gross investment income (see instructions for definition) . . . . .					
	4 Net income from organization's unrelated business activities not included on line 3 . . . . .					
	5 Tax revenues levied for and either paid to or spent on behalf of the organization . . . . .					
	6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .					
	7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . . . .					
	8 Total (add lines 1 through 7) . . . . .					
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22. . . . .					
	10 Total (add lines 8 and 9) . . . . .					
	11 Gain or loss from sale of capital assets (attach schedule) . . . . .					
	12 Unusual grants . . . . .					
	13 Total revenue (add lines 10 through 12) . . . . .					
Expenses	14 Fundraising expenses . . . . .					
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .					
	16 Disbursements to or for benefit of members (attach schedule) . . . . .					
	17 Compensation of officers, directors, and trustees (attach schedule) . . . . .					
	18 Other salaries and wages . . . . .					
	19 Interest . . . . .					
	20 Occupancy (rent, utilities, etc.) . . . . .					
	21 Depreciation and depletion . . . . .					
	22 Other (attach schedule) . . . . .					
	23 Total expenses (add lines 14 through 22) . . . . .					
	24 Excess of revenue over expenses (line 13 minus line 23) . . . . .					

**Part IV** Financial Data (Continued)**B. Balance Sheet (at the end of the period shown)**Current tax year  
Date .....**Assets**

1	Cash . . . . .	1	
2	Accounts receivable, net . . . . .	2	
3	Inventories . . . . .	3	
4	Bonds and notes receivable (attach schedule) . . . . .	4	
5	Corporate stocks (attach schedule) . . . . .	5	
6	Mortgage loans (attach schedule) . . . . .	6	
7	Other investments (attach schedule) . . . . .	7	
8	Depreciable and depletable assets (attach schedule) . . . . .	8	
9	Land . . . . .	9	
10	Other assets (attach schedule) . . . . .	10	
11	<b>Total assets</b> (add lines 1 through 10) . . . . .	11	

**Liabilities**

12	Accounts payable . . . . .	12	
13	Contributions, gifts, grants, etc., payable . . . . .	13	
14	Mortgages and notes payable (attach schedule) . . . . .	14	
15	Other liabilities (attach schedule) . . . . .	15	
16	<b>Total liabilities</b> (add lines 12 through 15) . . . . .	16	

**Fund Balances or Net Assets**

17	Total fund balances or net assets . . . . .	17	
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) . . . . .	18	

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation . . . . . ☐

Form **872-C**

(Rev. April 1996)

Department of the Treasury  
Internal Revenue Service**Consent Fixing Period of Limitation Upon  
Assessment of Tax Under Section 4940 of the  
Internal Revenue Code**

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with  
Form 1023. Submit  
in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

-----  
(Exact legal name of organization as shown in organizing document)-----  
(Number, street, city or town, state, and ZIP code)} and the District Director of  
Internal Revenue, or  
Assistant  
Commissioner  
(Employee Plans and  
Exempt Organizations)

Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year -----  
(Month, day, and year)

Name of organization (as shown in organizing document)	Date
Officer or trustee having authority to sign	
Signature ►	Title ►
<b>For IRS use only</b>	
District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)	Date

By ►

You must complete this form and attach it to the Form 1023 if you checked box **h**, **i**, or **j** of Part III, question 10, and the organization has not completed a tax year of at least 8 months.

For example: If the organization incorporated May 15 and its year ends December 31, it has completed a tax year of only 7½ months. Therefore, Form 872-C must be submitted.

- (a) Enter the name of the organization. This must be entered exactly as it appears in the organizing document. Do not use abbreviations unless the organizing document does.
- (b) Enter the current address.
- (c) Enter the ending date of the first tax year.

For example:

- (1) If the organization was formed on June 15 and it has chosen December 31 as its year end, enter December 31, 19 .....
- (2) If the organization was formed June 15 and it has chosen June 30 as its year end, enter June 30, 19 ..... In this example, the organization's first tax year consists of only 15 days.
- (d) The form must be signed by an authorized officer or trustee, generally the president or treasurer.
- (e) Enter the date that the form was signed.

DO NOT MAKE ANY OTHER ENTRIES.



**Schedule A. Churches**

- 1** Provide a brief history of the development of the organization, including the reasons for its formation.

- 2** Does the organization have a written creed or statement of faith? . . . ☐ **Yes** ☐ **No**  
If "Yes," attach a copy.

- 3** Does the organization require prospective members to renounce other religious beliefs or their membership in other churches or religious orders to become members? . . . ☐ **Yes** ☐ **No**

- 4** Does the organization have a formal code of doctrine and discipline for its members? . . . ☐ **Yes** ☐ **No**  
If "Yes," describe.

- 5** Describe the form of worship and attach a schedule of worship services.

- 6** Are the services open to the public? . . . ☐ **Yes** ☐ **No**  
If "Yes," describe how the organization publicizes its services and explain the criteria for admittance.

- 7** Explain how the organization attracts new members.

- 8 (a)** How many active members are currently enrolled in the church?

**(b)** What is the average attendance at the worship services?

- 9** In addition to worship services, what other religious services (such as baptisms, weddings, funerals, etc.) does the organization conduct?

**Schedule A. Churches (Continued)**

**10** Does the organization have a school for the religious instruction of the young? . . . . . ☐ Yes ☐ No

**11** Were the current deacons, minister, and/or pastor formally ordained after a prescribed course of study? . . . . . ☐ Yes ☐ No

**12** Describe the organization's religious hierarchy or ecclesiastical government.

**13** Does the organization have an established place of worship? . . . . . ☐ Yes ☐ No

If "Yes," provide the name and address of the owner or lessor of the property and the address and a description of the facility.

If the organization has no regular place of worship, state where the services are held and how the site is selected.

**14** Does (or will) the organization license or otherwise ordain ministers (or their equivalent) or issue church charters? . . . . . ☐ Yes ☐ No

If "Yes," describe in detail the requirements and qualifications needed to be so licensed, ordained, or chartered.

**15** Did the organization pay a fee for a church charter? . . . . . ☐ Yes ☐ No

If "Yes," state the name and address of the organization to which the fee was paid, attach a copy of the charter, and describe the circumstances surrounding the chartering.

**16** Show how many hours a week the minister/pastor and officers each devote to church work and the amount of compensation paid to each of them. If the minister or pastor is otherwise employed, indicate by whom employed, the nature of the employment, and the hours devoted to that employment.

**Schedule A. Churches (Continued)**

- 17** Will any funds or property of the organization be used by any officer, director, employee, minister, or pastor for his or her personal needs or convenience?

☐ Yes ☐ No

If "Yes," describe the nature and circumstances of such use.

- 18** List any officers, directors, or trustees related by blood or marriage.

- 19** Give the name of anyone who has assigned income to the organization or made substantial contributions of money or other property. Specify the amounts involved.

**Instructions**

Although a church, its integrated auxiliaries, or a convention or association of churches is not required to file Form 1023 to be exempt from Federal income tax or to receive tax-deductible contributions, such an organization may find it advantageous to obtain recognition of exemption. In this event, you should submit information showing that your organization is a church, synagogue, association or convention of churches, religious order or religious organization that is an integral part of a church, and that it is carrying out the functions of a church.

In determining whether an admittedly religious organization is also a church, the IRS does not accept any and every assertion that such an organization is a church. Because beliefs and practices vary so widely, there is no single definition of the word "church" for tax purposes. The IRS considers the facts and circumstances of each organization applying for church status.

The IRS maintains two basic guidelines in determining that an organization meets the religious purposes test:

1. That the particular religious beliefs of the organization are truly and sincerely held, and
2. That the practices and rituals associated with the organization's religious beliefs or creed are not illegal or contrary to clearly defined public policy.

In order for the IRS to properly evaluate your organization's activities and religious purposes, it is important that all questions in Schedule A be answered accurately.

The information submitted with Schedule A will be a determining factor in granting the "church" status requested by your organization. In completing the schedule, consider the following points:

1. The organization's activities in furtherance of its beliefs must be exclusively religious, and
2. An organization will not qualify for exemption if it has a substantial nonexempt purpose of serving the private interests of its founder or the founder's family.



## Schedule B. Schools, Colleges, and Universities

Does, or will, the organization normally have: (a) a regularly scheduled curriculum, (b) a regular faculty of qualified teachers, (c) a regularly enrolled student body, and (d) facilities where its educational activities are regularly carried on?

If "No," do not complete the rest of Schedule B.

☐ Yes ☐ No

2 Is the organization an instrumentality of a state or political subdivision of a state? . . . . .  
If "Yes," document this in Part II and do not complete items 3 through 10 of Schedule B. (See instructions on the back of Schedule B.)

☐ Yes ☐ No

3 Does or will the organization (or any department or division within it) discriminate in any way on the basis of race with respect to:

a Admissions? . . . . . ☐ Yes ☐ No

b Use of facilities or exercise of student privileges? . . . . . ☐ Yes ☐ No

c Faculty or administrative staff? . . . . . ☐ Yes ☐ No

d Scholarship or loan programs? . . . . . ☐ Yes ☐ No

If "Yes" for any of the above, explain.

4 Does the organization include a statement in its charter, bylaws, or other governing instrument, or in a resolution of its governing body, that it has a racially nondiscriminatory policy as to students? . . . . .

☐ Yes ☐ No

Attach whatever corporate resolutions or other official statements the organization has made on this subject.

5a Has the organization made its racially nondiscriminatory policies known in a manner that brings the policies to the attention of all segments of the general community that it serves? . . . . .

☐ Yes ☐ No

If "Yes," describe how these policies have been publicized and how often relevant notices or announcements have been made. If no newspaper or broadcast media notices have been used, explain.

b If applicable, attach clippings of any relevant newspaper notices or advertising, or copies of tapes or scripts used for media broadcasts. Also attach copies of brochures and catalogues dealing with student admissions, programs, and scholarships, as well as representative copies of all written advertising used as a means of informing prospective students of the organization's programs.

6 Attach a numerical schedule showing the racial composition, as of the current academic year, and projected to the extent feasible for the next academic year, of: (a) the student body, and (b) the faculty and administrative staff.

7 Attach a list showing the amount of any scholarship and loan funds awarded to students enrolled and the racial composition of the students who have received the awards.

8a Attach a list of the organization's incorporators, founders, board members, and donors of land or buildings, whether individuals or organizations.

b State whether any of the organizations listed in 8a have as an objective the maintenance of segregated public or private school education, and, if so, whether any of the individuals listed in 8a are officers or active members of such organizations.

9a Enter the public school district and county in which the organization is located.

b Was the organization formed or substantially expanded at the time of public school desegregation in the above district or county? . . . . .

☐ Yes ☐ No

10 Has the organization ever been determined by a state or Federal administrative agency or judicial body to be racially discriminatory? . . . . .

☐ Yes ☐ No

If "Yes," attach a detailed explanation identifying the parties to the suit, the forum in which the case was heard, the cause of action, the holding in the case, and the citations (if any) for the case. Also describe in detail what changes in the organization's operation, if any, have occurred since then.

For more information, see back of Schedule B.

## Instructions

A "school" is an organization that has the primary function of presenting formal instruction, normally maintains a regular faculty and curriculum, normally has a regularly enrolled student body, and has a place where its educational activities are carried on. The term generally corresponds to the definition of an "educational organization" in section 170(b)(1)(A)(ii). Thus, the term includes primary, secondary, preparatory and high schools, and colleges and universities. The term does not include organizations engaged in both educational and noneducational activities unless the latter are merely incidental to the educational activities. A school for handicapped children is included within the term, but an organization merely providing handicapped children with custodial care is not.

For purposes of Schedule B, "Sunday schools" that are conducted by a church are not included in the term "schools," but separately organized schools (such as parochial schools, universities, and similar institutions) are included in the term.

A private school that otherwise meets the requirements of section 501(c)(3) as an educational institution will not qualify for exemption under section 501(a) unless it has a racially nondiscriminatory policy as to students. This policy means that the school admits students of any race to all the rights, privileges, programs, and activities generally accorded or made available to students at that school and that the school does not discriminate on the basis of race in the administration of its educational policies, admissions policies, scholarship and loan programs, and athletic or

other school-administered programs. The IRS considers discrimination on the basis of race to include discrimination on the basis of color and national or ethnic origin. A policy of a school that favors racial minority groups in admissions, facilities, programs, and financial assistance will not constitute discrimination on the basis of race when the purpose and effect is to promote the establishment and maintenance of that school's racially nondiscriminatory policy as to students. See Rev. Proc. 75-50, 1975-2 C.B. 587, for guidelines and recordkeeping requirements for determining whether private schools that are applying for recognition of exemption have racially nondiscriminatory policies as to students.

### Line 2

An instrumentality of a state or political subdivision of a state may qualify under section 501(c)(3) if it is organized as a separate entity from the governmental unit that created it and if it otherwise meets the organizational and operational tests of section 501(c)(3). (See Rev. Rul. 60-384, 1960-2 C.B. 172.) Any such organization that is a school is not a private school and, therefore, is not subject to the provisions of Rev. Proc. 75-50.

Schools that incorrectly answer "Yes" to line 2 will be contacted to furnish the information called for by lines 3 through 10 in order to establish that they meet the requirements for exemption. To prevent delay in processing of your application, be sure to answer line 2 correctly and complete lines 3 through 10, if applicable.

## Schedule C. Hospitals and Medical Research Organizations

Check here if claiming to be a hospital; complete the questions in Section I of this schedule; and write "N/A" in Section II.  
☐ Check here if claiming to be a medical research organization operated in conjunction with a hospital; complete the questions in Section II of this schedule; and write "N/A" in Section I.

### Section I Hospitals

- 1a How many doctors are on the hospital's courtesy staff? . . . . .
- b Are all the doctors in the community eligible for staff privileges? . . . . . ☐ Yes ☐ No  
 If "No," give the reasons why and explain how the courtesy staff is selected.

- 2a Does the hospital maintain a full-time emergency room? . . . . . ☐ Yes ☐ No

- b What is the hospital's policy on administering emergency services to persons without apparent means to pay?

- c Does the hospital have any arrangements with police, fire, and voluntary ambulance services for the delivery or admission of emergency cases? . . . . . ☐ Yes ☐ No  
 Explain.

- 3a Does or will the hospital require a deposit from persons covered by Medicare or Medicaid in its admission practices? . . . . . ☐ Yes ☐ No  
 If "Yes," explain.

- Does the same deposit requirement, if any, apply to all other patients? . . . . . ☐ Yes ☐ No  
 If "No," explain.

- 4 Does or will the hospital provide for a portion of its services and facilities to be used for charity patients? ☐ Yes ☐ No  
 Explain the policy regarding charity cases. Include data on the hospital's past experience in admitting charity patients and arrangements it may have with municipal or government agencies for absorbing the cost of such care.

- 5 Does or will the hospital carry on a formal program of medical training and research? . . . . . ☐ Yes ☐ No  
 If "Yes," describe.

- 6 Does the hospital provide office space to physicians carrying on a medical practice? . . . . . ☐ Yes ☐ No  
 If "Yes," attach a list setting forth the name of each physician, the amount of space provided, the annual rent, the expiration date of the current lease and whether the terms of the lease represent fair market value.

### Section II Medical Research Organizations

- 1 Name the hospitals with which the organization has a relationship and describe the relationship.
- 2 Attach a schedule describing the organization's present and proposed (indicate which) medical research activities; show the nature of the activities, and the amount of money that has been or will be spent in carrying them out. (Making grants to other organizations is not direct conduct of medical research.)
- 3 Attach a statement of assets showing their fair market value and the portion of the assets directly devoted to medical research.

For more information, see back of Schedule C.

## Additional Information

### Hospitals

To be entitled to status as a "hospital," an organization must have, as its principal purpose or function, the providing of medical or hospital care or medical education or research. "Medical care" includes the treatment of any physical or mental disability or condition, the cost of which may be taken as a deduction under section 213, whether the treatment is performed on an inpatient or outpatient basis. Thus, a rehabilitation institution, outpatient clinic, or community mental health or drug treatment center may be a hospital if its principal function is providing the above-described services.

On the other hand, a convalescent home or a home for children or the aged is not a hospital. Similarly, an institution whose principal purpose or function is to train handicapped individuals to pursue some vocation is not a hospital. Moreover, a medical education or medical research institution is not a hospital, unless it is also actively engaged in providing medical or hospital care to patients on its premises or in its facilities on an inpatient or outpatient basis.

### Cooperative Hospital Service Organizations

Cooperative hospital service organizations (section 501(e)) should not complete Schedule C.

### Medical Research Organizations

To qualify as a medical research organization, the principal function of the organization must be the direct, continuous, and active conduct of medical research in conjunction with a hospital that is described in section 501(c)(3), a Federal hospital, or an instrumentality of a governmental unit referred to in section 170(c)(1). For purposes of section 170(b)(1)(A)(iii) only, the organization must be set up to use the funds it receives in the active conduct of medical research by January 1 of the fifth calendar year after receipt. The arrangement it has with donors to assure use of the funds within the 5-year period must be legally enforceable. As used here, "medical research" means investigations, experiments, and studies to discover, develop, or verify knowledge relating to the causes, diagnosis, treatment, prevention, or control of human physical or mental diseases and impairments. For further information, see Regulations section 1.170A-9(c)(2).

**Schedule D. Section 509(a)(3) Supporting Organizations**

Organizations supported by the applicant organization: Name and address of supported organization	b Has the supported organization received a ruling or determination letter that it is not a private foundation by reason of section 509(a)(1) or (2)?
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No
.....	<input type="checkbox"/> Yes <input type="checkbox"/> No

c If "No" for any of the organizations listed in 1a, explain.

2 Does the supported organization have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)? ☐ Yes ☐ No  
If "Yes," attach: (a) a copy of its ruling or determination letter, and (b) an analysis of its revenue for the current year and the preceding 3 years. (Provide the financial data using the formats in Part IV-A (lines 1-13) and Part III (lines 12, 13, and 14).)

3 Does your organization's governing document indicate that the majority of its governing board is elected or appointed by the supported organizations? ☐ Yes ☐ No  
If "Yes," skip to line 9.  
If "No," you must answer the questions on lines 4 through 9.

Does your organization's governing document indicate the common supervision or control that it and the supported organizations share? ☐ Yes ☐ No  
If "Yes," give the article and paragraph numbers. If "No," explain.

5 To what extent do the supported organizations have a significant voice in your organization's investment policies, in the making and timing of grants, and in otherwise directing the use of your organization's income or assets?

6 Does the mentioning of the supported organizations in your organization's governing instrument make it a trust that the supported organizations can enforce under state law and compel to make an accounting? ☐ Yes ☐ No  
If "Yes," explain.

7a What percentage of your organization's income does it pay to each supported organization?

b What is the total annual income of each supported organization?

c How much does your organization contribute annually to each supported organization?

**Schedule D. Section 509(a)(3) Supporting Organizations (Continued)**

- 8 To what extent does your organization conduct activities that would otherwise be carried on by the supported organization? Explain why these activities would otherwise be carried on by the supported organizations.

- 9 Is the applicant organization controlled directly or indirectly by one or more "disqualified persons" (other than one who is a disqualified person solely because he or she is a manager) or by an organization that is not described in section 509(a)(1) or (2)? ☐ Yes ☐ No  
If "Yes," explain.

**Instructions**

For an explanation of the types of organizations defined in section 509(a)(3) as being excluded from the definition of a private foundation, see Pub. 557, Chapter 3.

**Line 1**

List each organization that is supported by your organization and indicate in item **1b** if the supported organization has received a letter recognizing exempt status as a section 501(c)(3) public charity as defined in section 509(a)(1) or 509(a)(2). If you answer "No" in **1b** to any of the listed organizations, please explain in **1c**.

**Line 3**

Your organization's governing document may be articles of incorporation, articles of association, constitution, trust indenture, or trust agreement.

**Line 9**

For a definition of a "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3 of the application's instructions.

**Schedule E. Private Operating Foundations****Income Test.**

- 1a** Adjusted net income, as defined in Regulations section 53.4942(a)-2(d) . . . . .
- b** Minimum investment return, as defined in Regulations section 53.4942(a)-2(c) . . . . .
- 2** Qualifying distributions:
- a** Amounts (including administrative expenses) paid directly for the active conduct of the activities for which organized and operated under section 501(c)(3) (attach schedule) . . . . .
- b** Amounts paid to acquire assets to be used (or held for use) directly in carrying out purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule) . . . . .
- c** Amounts set aside for specific projects that are for purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule). . . . .
- d** Total qualifying distributions (add lines 2a, b, and c). . . . .
- 3** Percentages:
- a** Percentage of qualifying distributions to adjusted net income (divide line 2d by line 1a) . . . . .
- b** Percentage of qualifying distributions to minimum investment return (divide line 2d by line 1b). . . . . (Percentage must be at least 85% for 3a or 3b)

**Most recent  
tax year**

<b>1a</b>	
<b>1b</b>	
<b>2a</b>	
<b>2b</b>	
<b>2c</b>	
<b>2d</b>	
<b>3a</b>	%
<b>3b</b>	%

**Assets Test**

- 4** Value of organization's assets used in activities that directly carry out the exempt purposes. Do not include assets held merely for investment or production of income (attach schedule) . . . . .
- 5** Value of any stock of a corporation that is controlled by applicant organization and carries out its exempt purposes (attach statement describing corporation) . . . . .
- 6** Value of all qualifying assets (add lines 4 and 5) . . . . .
- 7** Value of applicant organization's total assets . . . . .
- 8** Percentage of qualifying assets to total assets (divide line 6 by line 7—percentage must exceed 65%) . . . . .

<b>4</b>	
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	%

**Endowment Test**

- 9** Value of assets not used (or held for use) directly in carrying out exempt purposes:
- Monthly average of investment securities at fair market value. . . . .
- Monthly average of cash balances. . . . .
- c** Fair market value of all other investment property (attach schedule). . . . .
- d** Total (add lines 9a, b, and c). . . . .
- 10** Acquisition indebtedness related to line 9 items (attach schedule) . . . . .
- 11** Balance (subtract line 10 from line 9d) . . . . .
- 12** Multiply line 11 by 3 1/3% (3/4 of the percentage for the minimum investment return computation under section 4942(e)). Line 2d above must equal or exceed the result of this computation . . . . .

<b>9a</b>	
<b>9b</b>	
<b>9c</b>	
<b>9d</b>	
<b>10</b>	
<b>11</b>	
<b>12</b>	

**Support Test**

- 13** Applicant organization's support as defined in section 509(d) . . . . .
- 14** Gross investment income as defined in section 509(e) . . . . .
- 15** Support for purposes of section 4942(j)(3)(B)(iii) (subtract line 14 from line 13) . . . . .
- 16** Support received from the general public, five or more exempt organizations, or a combination of these sources (attach schedule). . . . .
- 17** For persons (other than exempt organizations) contributing more than 1% of line 15, enter the total amounts that are more than 1% of line 15 . . . . .
- 18** Subtract line 17 from line 16 . . . . .
- 19** Percentage of total support (divide line 18 by line 15—must be at least 85%) . . . . .
- 20** Does line 16 include support from an exempt organization that is more than 25% of the amount of line 15? . . . . . ☐ Yes ☐ No

<b>13</b>	
<b>14</b>	
<b>15</b>	
<b>16</b>	
<b>17</b>	
<b>18</b>	
<b>19</b>	%

- 21** Newly created organizations with less than 1 year's experience: Attach a statement explaining how the organization is planning to satisfy the requirements of section 4942(j)(3) for the income test and one of the supplemental tests during its first year's operation. Include a description of plans and arrangements, press clippings, public announcements, solicitations for funds, etc. . . . .
- 22** Does the amount entered on line 2a above include any grants that the applicant organization made? If "Yes," attach a statement explaining how those grants satisfy the criteria for "significant involvement" grants described in section 53.4942(b)-1(b)(2) of the regulations. . . . . ☐ Yes ☐ No

For more information, see back of Schedule E.

## Instructions

If the organization claims to be an operating foundation described in section 4942(j)(3) and—

a. Bases its claim to private operating foundation status on normal and regular operations over a period of years; or

b. Is newly created, set up as a private operating foundation, and has at least 1 year's experience;

provide the information under the **income test and under one of the three supplemental tests** (assets, endowment, or support). If the organization does not have at least 1 year's experience, provide the information called for on line 21. If the organization's private operating foundation status depends on its normal and regular operations as described in a above, attach a schedule similar to Schedule E showing the data in tabular form for the 3 years preceding the most recent tax year. (See Regulations section 53.4942(b)-1 for additional information before completing the "Income Test" section of this schedule.) Organizations claiming section 4942(j)(5) status must satisfy the income test and the endowment test.

A "private operating foundation" described in section 4942(j)(3) is a private foundation that spends substantially all of the smaller of its adjusted net income (as defined below) or its minimum investment return directly for the active conduct of the activities constituting the purpose or function for which it is organized and operated. The foundation must satisfy the income test under section 4942(j)(3)(A), as modified by Regulations section 53.4942(b)-1, and one of the following three supplemental tests: (1) the assets test under section 4942(j)(3)(B)(i); (2) the endowment test under section 4942(j)(3)(B)(ii); or (3) the support test under section 4942(j)(3)(B)(iii).

Certain long-term care facilities described in section 4942(j)(5) are treated as private operating foundations for purposes of section 4942 only.

"Adjusted net income" is the excess of gross income determined with the income modifications described below for the tax year over the sum of deductions determined with the deduction modifications described below. Items of gross income from any unrelated trade or business and the deductions directly connected with the unrelated trade or business are taken into account in computing the organization's adjusted net income.

### Income Modifications

The following are income modifications (adjustments to gross income):

1. Section 103 (relating to interest on certain governmental obligations) does not apply. Thus, interest that otherwise would have been excluded should be included in gross income.

2. Except as provided in 3 below, capital gains and losses are taken into account only to the extent of the net short-term gain. Long-term gains and losses are disregarded.

3. The gross amount received from the sale or disposition of certain property should be included in gross income to the extent that the acquisition of the property constituted a qualifying distribution under section 4942(g)(1)(B).

4. Repayments of prior qualifying distributions (as defined in section 4942(g)(1)(A)) constitute items of gross income.

5. Any amount set aside under section 4942(g)(2) that is "not necessary for the purposes for which it was set aside" constitutes an item of gross income.

### Deduction Modifications

The following are deduction modifications (adjustments to deductions):

1. Expenses for the general operation of the organization according to its charitable purposes (as contrasted with expenses for the production or collection of income and management, conservation, or maintenance of income-producing property) should not be taken as deductions. If only a portion of the property is used for production of income subject to section 4942 and the remainder is used for general charitable purposes, the expenses connected with that property should be divided according to those purposes. Only expenses related to the income-producing portion should be taken as deductions.

2. Charitable contributions, deductible under section 170 or 642(c), should not be taken into account as deductions for adjusted net income.

3. The net operating loss deduction prescribed under section 172 should not be taken into account as a deduction for adjusted net income.

4. The special deductions for corporations (such as the dividends-received deduction) allowed under sections 241 through 249 should not be taken into account as deductions for adjusted net income.

5. Depreciation and depletion should be determined in the same manner as under section 4940(c)(3)(B).

Section 265 (relating to the expenses and interest connected with tax-exempt income) should not be taken into account.

You may find it easier to figure adjusted net income by completing column (c), Part 1, Form 990-PF, according to the instructions for that form.

An organization that has been held to be a private operating foundation will continue to be such an organization only if it meets the income test and either the assets, endowment, or support test in later years. See Regulations section 53.4942(b) for additional information. No additional request for ruling will be necessary or appropriate for an organization to maintain its status as a private operating foundation. However, data related to the above tests must be submitted with the organization's annual information return, Form 990-PF.

**Schedule F. Homes for the Aged or Handicapped**

What are the requirements for admission to residency? Explain fully and attach promotional literature and application forms.

- 2 Does or will the home charge an entrance or founder's fee? ☐ Yes ☐ No  
If "Yes," explain and specify the amount charged.

- 3 What periodic fees or maintenance charges are or will be required of its residents?

- 4a What established policy does the home have concerning residents who become unable to pay their regular charges?

What arrangements does the home have or will it make with local and Federal welfare units, sponsoring organizations, or others to absorb all or part of the cost of maintaining those residents?

- 5 What arrangements does or will the home have to provide for the health needs of its residents?

- 6 In what way are the home's residential facilities designed to meet some combination of the physical, emotional, recreational, social, religious, and similar needs of the aged or handicapped?

- 7 Provide a description of the home's facilities and specify both the residential capacity of the home and the current number of residents.

- 8 Attach a sample copy of the contract or agreement the organization makes with or requires of its residents.

**For more information, see back of Schedule F.**

## Instructions

**Line 1**

Provide the criteria for admission to the home and submit brochures, pamphlets, or other printed material used to inform the public about the home's admissions policy.

**Line 2**

Indicate whether the fee charged is an entrance fee or a monthly charge, etc. Also, if the fee is an entrance fee, is it payable in a lump sum or on an installment basis?

**Line 4**

Indicate the organization's policy regarding residents who are unable to pay. Also, indicate whether the organization is subsidized for all or part of the cost of maintaining those residents who are unable to pay.

**Line 5**

Indicate whether the organization provides health care to the residents, either directly or indirectly, through some continuing arrangement with other organizations, facilities, or health personnel. If no health care is provided, indicate "N/A."

## Schedule G. Child Care Organizations

1 Is the organization's primary activity the providing of care for children away from their homes? . . . . . ☐ Yes ☐ No

2 How many children is the organization authorized to care for by the state (or local governmental unit), and what was the average attendance during the past 6 months, or the number of months the organization has been in existence if less than 6 months?

3 How many children are currently cared for by the organization?

4 Is substantially all (at least 85%) of the care provided for the purpose of enabling parents to be gainfully employed or to seek employment? . . . ☐ Yes ☐ No

5 Are the services provided available to the general public? . . . . . ☐ Yes ☐ No  
If "No," explain.

Indicate the category, or categories, of parents whose children are eligible for the child care services (check as many as apply):

- ☐ low-income parents
- ☐ any working parents (or parents looking for work)
- ☐ anyone with the ability to pay
- ☐ other (explain)

### Instructions

#### Line 5

If your organization's services are not available to the general public, indicate the particular group or groups that may utilize the services.

REMINDER—If this organization claims to operate a school, then it must also fill out Schedule B.



**Schedule H. Organizations Providing Scholarship Benefits, Student Aid, etc., to Individuals**

- 1a** Describe the nature and the amount of the scholarship benefit, student aid, etc., including the terms and conditions governing its use, whether a gift or a loan, and how the availability of the scholarship is publicized. If the organization has established or will establish several categories of scholarship benefits, identify each kind of benefit and explain how the organization determines the recipients for each category. Attach a sample copy of any application the organization requires individuals to complete to be considered for scholarship grants, loans, or similar benefits. (Private foundations that make grants for travel, study, or other similar purposes are required to obtain advance approval of scholarship procedures. See Regulations sections 53.4945-4(c) and (d).)

- b** If you want this application considered as a request for approval of grant procedures in the event we determine that the organization is a private foundation, check here . . . . . ☐

- c** If you checked the box in 1b above, check the boxes for which you wish the organization to be considered.

☐ 4945(g)(1)

☐ 4945(g)(2)

☐ 4945(g)(3)

- 2** What limitations or restrictions are there on the class of individuals who are eligible recipients? Specifically explain whether there are, or will be, any restrictions or limitations in the selection procedures based upon race or the employment status of the prospective recipient or any relative of the prospective recipient. Also indicate the approximate number of eligible individuals.

- 3** Indicate the number of grants the organization anticipates making annually . . . . .

- 4** If the organization bases its selections in any way on the employment status of the applicant or any relative of the applicant, indicate whether there is or has been any direct or indirect relationship between the members of the selection committee and the employer. Also indicate whether relatives of the members of the selection committee are possible recipients or have been recipients.

- 5** Describe any procedures the organization has for supervising grants (such as obtaining reports or transcripts) that it awards and any procedures it has for taking action if the terms of the grant are violated.

**Additional Information**

Private foundations that make grants to individuals for travel, study, or other similar purposes are required to obtain advance approval of their grant procedures from the IRS. Such grants that are awarded under selection procedures that have not been approved by the IRS are subject to a 10% excise tax under section 4945. (See Regulations sections 53.4945-4(c) and (d).)

If you are requesting advance approval of the organization's grant procedures, the following sections apply to line 1c:

4945(g)(1)—The grant constitutes a scholarship or fellowship grant that meets the provisions of section 117(a) prior to its amendment by the Tax Reform Act of 1986 and is to be used for study at an educational organization (school) described in section 170(b)(1)(A)(ii).

4945(g)(2)—The grant constitutes a prize or award that is subject to the provisions of section 74(b), if the recipient of such a prize or award is selected from the general public.

4945(g)(3)—The purpose of the grant is to achieve a specific objective, produce a report or other similar product, or improve or enhance a literary, artistic, musical, scientific, teaching, or other similar capacity, skill, or talent of the grantee.

## Schedule I. Successors to "For Profit" Institutions

**1** What was the name of the predecessor organization and the nature of its activities?

**2** Who were the owners or principal stockholders of the predecessor organization? (If more space is needed, attach schedule.)

Name and address	Share or interest
.....	
.....	
.....	
.....	
.....	
.....	

**3** Describe the business or family relationship between the owners or principal stockholders and principal employees of the predecessor organization and the officers, directors, and principal employees of the applicant organization.

**4a** Attach a copy of the agreement of sale or other contract that sets forth the terms and conditions of sale of the predecessor organization or of its assets to the applicant organization.

**b** Attach an appraisal by an independent qualified expert showing the fair market value at the time of sale of the facilities or property interest sold.

**5** Has any property or equipment formerly used by the predecessor organization been rented to the applicant organization or will any such property be rented? ☐ Yes ☐ No  
If "Yes," explain and attach copies of all leases and contracts.

**6** Is the organization leasing or will it lease or otherwise make available any space or equipment to the owners, principal stockholders, or principal employees of the predecessor organization? ☐ Yes ☐ No  
If "Yes," explain and attach a list of these tenants and a copy of the lease for each such tenant.

**7** Were any new operating policies initiated as a result of the transfer of assets from a profit-making organization to a nonprofit organization? ☐ Yes ☐ No  
If "Yes," explain.

### Additional Information

A "for profit" institution for purposes of Schedule I includes any organization in which a person may have a proprietary or partnership interest, hold corporate

stock, or otherwise exercise an ownership interest. The institution need not have operated for the purpose of making a profit.



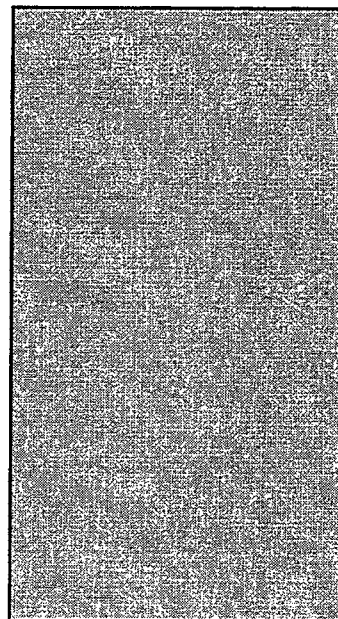
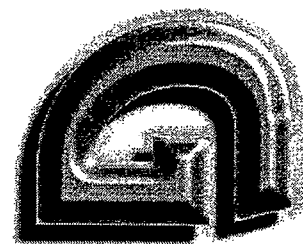
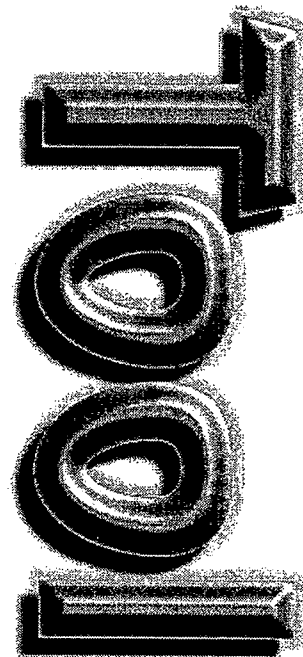
**Activity Code Numbers of Exempt Organizations** (select up to three codes that best describe or most accurately identify your organization's purposes, activities, operations or type of organization and enter in block 6, page 1, of the application. Enter first the code that most accurately identifies the organization.)

Code	Code	Code	Code
<b>Religious Activities</b>	181 Scientific research for government	322 FFA, FHA, 4-H club, etc.	520 Pacifism and peace
001 Church, synagogue, etc.	--- Scientific research (diseases) (use 161)	323 Key club	521 Economic-political system of U.S.
002 Association or convention of churches	199 Other scientific research activities	324 YMCA, YWCA, YMHA, etc.	522 Anti-communism
003 Religious order	<b>Business and Professional Organizations</b>	325 Camp	523 Right to work
004 Church auxiliary	200 Business promotion (chamber of commerce, business league, etc.)	326 Care and housing of children (orphanage, etc.)	524 Zoning or rezoning
005 Mission	201 Real estate association	327 Prevention of cruelty to children	525 Location of highway or transportation system
006 Missionary activities	202 Board of trade	328 Combat juvenile delinquency	526 Rights of criminal defendants
007 Evangelism	203 Regulating business	349 Other youth organization or activities	527 Capital punishment
008 Religious publishing activities	204 Promotion of fair business practices	<b>Conservation, Environmental, and Beautification Activities</b>	528 Stricter law enforcement
--- Bookstore (use 918)	205 Professional association	350 Preservation of natural resources (conservation)	529 Ecology or conservation
--- Genealogical activities (use 094)	206 Professional association auxiliary	351 Combating or preventing pollution (air, water, etc.)	530 Protection of consumer interests
029 Other religious activities	207 Industry trade shows	--- Land acquisition for preservation	531 Medical care service
<b>Schools, Colleges, and Related Activities</b>	208 Convention displays	352 Soil or water conservation	532 Welfare system
030 School, college, trade school, etc.	--- Testing products for public safety (use 905)	353 Preservation of scenic beauty	533 Urban renewal
031 Special school for the blind, handicapped, etc.	209 Research, development, and testing	354 Litigation (see Litigation and Legal Aid Activities)	534 Busing students to achieve racial balance
032 Nursery school	210 Professional athletic league	--- Combat community deterioration (use 402)	535 Racial integration
--- Day care center (use 574)	--- Attracting new industry (use 403)	355 Wildlife sanctuary or refuge	536 Use of intoxicating beverages
033 Faculty group	--- Publishing activities (use 120)	356 Garden club	537 Use of drugs or narcotics
034 Alumni association or group	--- Insurance or other benefits for members (see Employee or Membership Benefit Organizations)	379 Other conservation, environmental, or beautification activities	538 Use of tobacco
035 Parent or parent-teachers association	211 Underwriting municipal insurance	<b>Housing Activities</b>	539 Prohibition of erotica
036 Fraternity or sorority	212 Assigned risk insurance activities	380 Low-income housing	540 Sex education in public schools
--- Key club (use 323)	213 Tourist bureau	381 Low and moderate income housing	541 Population control
037 Other student society or group	229 Other business or professional group	382 Housing for the aged (see also 153) (use 152)	542 Birth control methods
038 School or college athletic association	<b>Farming and Related Activities</b>	--- Student housing (use 042)	543 Legalized abortion
039 Scholarships for children of employees	230 Farming	--- Orphanage (use 326)	559 Other matters
040 Scholarships (other)	231 Farm bureau	398 Instruction and guidance on housing	<b>Other Activities Directed to Individuals</b>
041 Student loans	232 Agricultural group	399 Other housing activities	560 Supplying money, goods, or services to the poor
042 Student housing activities	233 Horticultural group	<b>Inner City or Community Activities</b>	561 Gifts or grants to individuals (other than scholarships)
043 Other student aid	234 Farmers cooperative marketing or purchasing	400 Area development, redevelopment, or renewal	--- Scholarships for children of employees (use 039)
044 Student exchange with foreign country	235 Financing crop operations	--- Housing (see Housing Activities)	--- Scholarships (other) (use 040)
045 Student operated business	--- FFA, FHA, 4-H club, etc. (use 322)	401 Homeowners association	--- Student loans (use 041)
--- Financial support of schools, colleges, etc. (use 602)	--- Fair (use 065)	402 Other activity aimed at combating community deterioration	562 Other loans to individuals
--- Achievement prizes or awards (use 914)	236 Dairy herd improvement association	403 Attracting new industry or retaining industry in an area	563 Marriage counseling
--- Student bookstore (use 918)	237 Breeders association	--- Community center (use 296)	564 Family planning
--- Student travel (use 299)	249 Other farming and related activities	405 Loans or grants for minority businesses	565 Credit counseling and assistance
--- Scientific research (see Scientific Research Activities)	<b>Mutual Organizations</b>	--- Job training, counseling, or assistance (use 566)	566 Job training, counseling, or assistance
046 Private school	250 Mutual ditch, irrigation, telephone, electric company, or like organization	--- Day care center (use 574)	567 Draft counseling
059 Other school related activities	251 Credit union	--- Referral service (social agencies) (use 569)	568 Vocational counseling
<b>Cultural, Historical or Other Educational Activities</b>	252 Reserve funds or insurance for domestic building and loan association, cooperative bank, or mutual savings bank	--- Legal aid to indigents (use 462)	569 Referral service (social agencies)
060 Museum, zoo, planetarium, etc.	253 Mutual insurance company	406 Crime prevention	572 Rehabilitating convicts or ex-convicts
061 Library	254 Corporation organized under an Act of Congress (see also 904)	407 Voluntary firemen's organization or auxiliary	573 Rehabilitating alcoholics, drug abusers, compulsive gamblers, etc.
062 Historical site, records, or reenactment	--- Farmers cooperative marketing or purchasing (use 234)	--- Rescue squad (use 158)	574 Day care center
063 Monument	--- Cooperative hospital service organization (use 157)	408 Community service organization	575 Services for the aged (see also 153 and 382)
--- Commemorative event (centennial, festival, pageant, etc.)	259 Other mutual organization	409 Other inner city or community benefit activities	--- Training of or aid to the handicapped (see 031 and 160)
--- Fair	<b>Employee or Membership Benefit Organizations</b>	430 Defense of human and civil rights	<b>Activities Directed to Other Organizations</b>
065 Community theatrical group	260 Fraternal beneficiary society, order, or association	431 Elimination of prejudice and discrimination (race, religion, sex, national origin, etc.)	600 Community Chest, United Way, etc.
069 Singing society or group	261 Improvement of conditions of workers	432 Lessen neighborhood tensions	601 Booster club
090 Cultural performances	262 Association of municipal employees	449 Other civil rights activities	602 Gifts, grants, or loans to other organizations
091 Art exhibit	263 Association of employees	<b>Litigation and Legal Aid Activities</b>	603 Nonfinancial services or facilities to other organizations
092 Literary activities	264 Employee or member welfare association	460 Public interest litigation activities	<b>Other Purposes and Activities</b>
093 Cultural exchanges with foreign country	265 Sick, accident, death, or similar benefits	461 Other litigation or support of litigation	900 Cemetery or burial activities
094 Genealogical activities	266 Strike benefits	462 Legal aid to indigents	901 Perpetual care fund (cemetery, columbarium, etc.)
--- Achievement prizes or awards (use 914)	267 Unemployment benefits	463 Providing bail	902 Emergency or disaster aid fund
--- Gifts or grants to individuals (use 561)	268 Pension or retirement benefits	<b>Legislative and Political Activities</b>	903 Community trust or component
--- Financial support of cultural organizations (use 602)	269 Vacation benefits	480 Propose, support, or oppose legislation	904 Government instrumentality or agency (see also 254)
119 Other cultural or historical activities	279 Other services or benefits to members or employees	481 Voter information on issues or candidates	905 Testing products for public safety
<b>Other Instruction and Training Activities</b>	<b>Sports, Athletic, Recreational, and Social Activities</b>	482 Voter education (mechanics of registering, voting, etc.)	906 Consumer interest group
120 Publishing activities	280 Country club	483 Support, oppose, or rate political candidates	907 Veterans activities
121 Radio or television broadcasting	281 Hobby club	484 Provide facilities or services for political campaign activities	908 Patriotic activities
122 Producing films	282 Dinner club	509 Other legislative and political activities	909 4947(a)(1) trust
123 Discussion groups, forums, panels, lectures, etc.	283 Variety club	<b>Advocacy</b>	910 Domestic organization with activities outside U.S.
124 Study and research (nonscientific)	284 Dog club	Attempt to influence public opinion concerning:	911 Foreign organization
125 Giving information or opinion (see also Advocacy)	285 Women's club	510 Firearms control	912 Title holding corporation
126 Apprenticeship training	--- Garden club (use 356)	511 Selective Service System	913 Prevention of cruelty to animals
--- Travel tours (use 299)	286 Hunting or fishing club	512 National defense policy	914 Achievement prizes or awards
149 Other instruction and training	287 Swimming or tennis club	513 Weapons systems	915 Erection or maintenance of public building or works
<b>Health Services and Related Activities</b>	288 Other sports club	514 Government spending	916 Cafeteria, restaurant, snack bar, food services, etc.
150 Hospital	296 Community center	515 Taxes or tax exemption	917 Thrift shop, retail outlet, etc.
151 Hospital auxiliary	297 Community recreational facilities (park, playground, etc.)	516 Separation of church and state	918 Book, gift, or supply store
152 Nursing or convalescent home	298 Training in sports	517 Government aid to parochial schools	919 Advertising
153 Care and housing for the aged (see also 382)	299 Travel tours	518 U.S. foreign policy	920 Association of employees
154 Health clinic	300 Amateur athletic association	519 U.S. military involvement	921 Loans or credit reporting
155 Rural medical facility	--- School or college athletic association (use 038)		922 Endowment fund or financial services
156 Blood bank	301 Fundraising athletic or sports event		923 Indians (tribes, cultures, etc.)
157 Cooperative hospital service organization	317 Other sports or athletic activities		924 Traffic or tariff bureau
158 Rescue and emergency service	318 Other recreational activities		925 Section 501(c)(1) with 50% deductibility
159 Nurses register or bureau	319 Other social activities		926 Government instrumentality other than section 501(c)
160 Aid to the handicapped (see also 031)	<b>Youth Activities</b>		927 Fundraising
161 Scientific research (diseases)	320 Boy Scouts, Girl Scouts, etc.		928 4947(a)(2) trust
162 Other medical research	321 Boys Club, Little League, etc.		931 Withdrawal liability payment fund
163 Health insurance (medical, dental, optical, etc.)			990 Section 501(k) child care organization
164 Prepared group health plan			
165 Community health planning			
--- Mental health care			
--- Group medical practice association			
--- In-faculty group practice association			
--- Hospital pharmacy, parking facility, food services, etc.			
179 Other health services			
<b>Scientific Research Activities</b>			
180 Contract or sponsored scientific research for industry			



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# **Superfund Technical Assistance Grant (TAG) Handbook: Applying for Your Grant**



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Office of Solid Waste and Emergency Response

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**Superfund Technical  
Assistance Grant (TAG)  
Handbook:**  
Applying For Your  
Grant

## EPA CONTACTS

For more information about the Technical Assistance Grant  
(TAG) Program, contact:

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Regional TAG Coordinator:

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Community Involvement Coordinator:

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National TAG Coordinator  
U.S. Environmental Protection Agency (5204G)  
401 M Street, SW  
Washington, DC 20460  
(703) 603-8889

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## BASIC REQUIREMENTS FOR APPLYING FOR A TECHNICAL ASSISTANCE GRANT

### THE TAG PROGRAM

Community involvement is an important part of the Environmental Protection Agency's (EPA) efforts under the Superfund Program to respond to risks associated with the nation's worst hazardous waste sites. The Technical Assistance Grant (TAG) Program provides funds for qualified citizens' groups affected by a Superfund site to hire independent technical advisors to help interpret and comment on site-related information. This booklet explains the basic program requirements that your group must meet to be eligible for a TAG and to successfully complete a TAG application. The TAG Program is governed by certain regulations, which are paraphrased throughout this booklet. It is important that you clearly understand these requirements and how they apply to the TAG Program. If you wish, you may refer to the full text, recorded in the *Code of Federal Regulations* (CFR), Parts 30, 33, and 35, subpart M. The full text is available from your library and your Regional TAG Coordinator.

### THE SUPERFUND CLEANUP PROCESS

The Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), commonly known as "Superfund," provides the nation with its principal means of cleaning up hazardous waste sites that EPA has placed, or proposes to place, on the National Priorities List (NPL). The NPL is the list of the nation's most serious hazardous waste sites. Milestones in the cleanup process include the following:

- Upon identification of a potentially contaminated site (**discovery**), EPA determines whether the site poses an immediate threat to human health or the environment that warrants immediate "removal" action. If a contamination problem exists but does not pose immediate danger to the community, EPA conducts a **Preliminary Assessment/Site Inspection (PA/SI)** to determine whether the site should be placed on the NPL.
- Once a site is listed, EPA conducts detailed technical studies on the

#### Milestones in the Superfund Process

- Discovery
- PA/SI
- RI/FS
- ROD
- RD/RA
- Completion

nature and extent of the waste at the site. This examination of the site contamination and the identification of possible remedies is called a **Remedial Investigation/Feasibility Study (RI/FS)**. This study outlines alternative methods of cleanup available and recommends the most suitable one. The **Record of Decision (ROD)**, which is based on the documents that make up the RI/FS, identifies and explains the selected remedy.

- After signing a ROD, EPA begins the **Remedial Design (RD)** phase, adapting the remedy chosen to site-specific conditions. During **Remedial Action (RA)**, EPA cleans up the site using the selected remedy. **Operation and Maintenance** activities may continue at the site for many years after the initial cleanup is completed.

TAGs are available at any time during the site cleanup process, but most opportunities for effective community involvement exist during the RI/FS (sometimes called the "pre-ROD stage"). This is the stage when most decisions about how to respond to site contamination are made and when your technical advisor will be most useful to the members of your group.

## BEGINNING THE PROCESS

The TAG process begins when a group of individuals affected by a Superfund site listed, or proposed for listing, on the NPL submits either a Let-

ter of Intent (LOI) or a completed TAG application to its EPA Regional Office. EPA then notifies the community as a whole that an application is or will shortly be under review, giving other potential applicants 30 days to contact the original applicant to form a coalition and submit a single application.

Since only one TAG may be awarded for a site, EPA encourages groups to consolidate in order to provide technical assistance to the most widely representative group of individuals affected by a site. If groups are unsuccessful in forming a coalition, each has an additional 30 days to prepare its own application.

This booklet is intended for groups of potentially affected individuals who have decided to apply for a TAG and

### A Pre-Application Checklist

- Is the site listed, or proposed for listing, on the NPL?
- Has EPA's response action begun?
- Are you a group of residents or property owners who could be affected by the site?
- Have you contacted your Regional TAG Coordinator?

who may have sent EPA an LOI stating this. If you have not sent in an LOI, you may do so, although a completed application also serves that purpose.

To make the best use of your time, you should be certain that your group is eligible to receive a TAG before beginning the application process. If you are unsure, you should contact your Regional TAG Coordinator before proceeding (see inside cover).

### MAKING SURE YOUR GROUP IS ELIGIBLE

Your group is eligible to receive a TAG if it is a group of individuals potentially affected by a hazardous waste site that is either listed or proposed for listing on the NPL. In addition, EPA must have started its response action at the site. **The response action begins when EPA sets aside funds for site cleanup.** Your Regional TAG Coordinator can tell you whether the response action has begun.

While someone **representing** an ineligible group **cannot** belong to an eligible group, that person acting as an "affected individual" may be a member. For example, your mayor could not be a member of your group if he/she did so as a representative of your local government, but could participate as a private individual if he/she was affected by the site. Contact your Regional TAG Coordinator for help in determining your group's eligibility.

#### Incorporating

To be eligible to receive a grant for a site, your group must be incorporated as a nonprofit organization for the purpose of addressing that Superfund site. Incorporation can protect the individual members of your group from potentially serious personal liability problems. Incorporation costs are reimbursable with TAG funds if your group receives a TAG.

If your group is already incorporated for another purpose, it must be reincorporated for the purposes of the TAG Program, unless you can show that your group or group members have been significantly involved with issues related to the site. If your group would be eligible except that it is not

#### **Your group is INELIGIBLE for a TAG if it is:**

- Potentially responsible for contamination problems at the site.
- An academic institution.
- A political subdivision (such as a township or municipality).
- A group established or sustained by governmental entities, a PRP, or any ineligible entity.

incorporated, you still may submit an application. However, if your group is awarded the grant, you must be able to prove both of the following:

- Your group has filed for incorporation by the time of the grant award.
- Your group has been incorporated by the time you submit your first request for reimbursement.

By planning the incorporation process to coincide with the application process, your group will avoid incurring incorporation costs until after you find out if your application is approvable. Be sure to state this in your application if this is what your group plans to do.

Some groups find it desirable to apply for tax-exempt status at the same time that they incorporate. When you have tax-exempt status, individuals can make tax-deductible cash donations to your group. TAG funds may be used to cover the additional costs involved.

## DEMONSTRATING YOUR GROUP'S CAPABILITIES

As a TAG applicant, your group must demonstrate its capability to adequately and responsibly manage the grant. In general, you must demonstrate that your group has established, or has plans for establishing, reliable procedures for managing a TAG.

### EPA will evaluate your group's ability to:

- Meet project deadlines.
- Maintain adequate accounting and auditing procedures.
- Raise contributions.
- Comply with civil rights and equal employment laws.

## MEETING YOUR FINANCIAL REQUIREMENTS

As specified in the 1986 amendments to the Superfund law, initial TAG awards are limited to \$50,000 per site. In addition, these amendments require recipient groups to contribute, or "match," 20 percent of the total project costs.

### Twenty Percent Matching Funds Requirement

As part of the TAG agreement with EPA, your group must provide 20 percent of the total costs of the technical assistance

project. For example, your group must add \$12,500 to match an EPA grant of \$50,000 (20 percent of the total project costs of \$62,500). Twenty percent may seem like a lot; however, in recognition of the value of your group members' skills and time, the TAG Program allows you to count the value of volunteered services and contributions of supplies toward the required match, as well as cash that the group spends on products or

services. Volunteered services and donated supplies used toward your match are called "in-kind contributions."

### **In-Kind Contributions**

In-kind contributions are non-cash contributions to the project. Examples of in-kind contributions include:

- Volunteered services, such as:
  - A bookkeeper's maintenance of your group's financial records and preparation of required financial reports.
  - An auditor's review of your group's financial records.
  - A lawyer's aid in drafting a contract for your technical advisor(s).
  - Your project manager's oversight of contracts.
  - A group member's efforts to produce a group newsletter.
  - The time spent by group representatives (such as Board Members) attending site-related meetings.
- Donated supplies, such as:
  - Use of equipment (such as a computer or copier) and office space.
  - Office supplies (such as paper and pencils).
  - Photocopying, printing, and postage.
  - Telephone calls.
  - Meeting space.
- Other costs in your TAG application that are approved by EPA.

In-kind contributions must be documented in your records and approved by your EPA Regional Office. Rates for volunteer services must be consistent with rates in your community for similar services, and may not include fringe benefits, overhead, or profit. Your Regional TAG Coordinator can assist you in determining the eligibility and value of in-kind contributions.

### **Waivers of the Matching Funds Requirement**

Because in-kind contributions can be counted toward your group's 20 percent match, EPA will waive all or part of the matching funds requirement only under unusual circumstances. EPA can allow waivers only at sites where the Record of Decision (ROD) has not yet been signed for the last operable unit at the site.

To request a waiver, include a written statement describing your group's reasons in your application package.

#### **To obtain a waiver, you must demonstrate that:**

- The full match would be an unusual financial hardship (demonstrated by conditions such as below-average income or a high unemployment rate in your area).
- Your group's good faith effort at raising the match or in-kind contributions has failed.
- The waiver is necessary to ensure public participation in the site cleanup decision.

### The Administrative Cap

To ensure that TAG funds are used primarily for their intended purpose—the interpretation and communication of site-related technical data to the affected community—administrative costs, such as recordkeeping and accounting activities, may comprise only 20 percent of the total TAG budget. The total budget includes federal funds and your group's matching share.

## IDENTIFYING ELIGIBLE ACTIVITIES

Eligible activities are those that can be carried out with TAG funds. Questions concerning activities suitable for technical assistance should be directed to your Regional TAG Coordinator. The term "contractor" refers to any people or companies you hire (enter into a contract with).

### Eligible Activities

The purpose of a TAG is to assist groups in obtaining technical assistance in interpreting site-related documents and other activities that would contribute to the public's understanding of overall site conditions and

decisions. To obtain this assistance, your group should hire a technical advisor. The TAG project manager or Board of Directors should provide direction and oversight of contractors' activities.

#### Suitable technical advisor activities include:

- Reviewing/interpreting site-related documents.
- Meeting with you to explain technical information.
- Providing assistance to your group in communicating the group's site-related concerns to EPA.
- Communicating the contents of the technical advisor's reports to the community.
- Participating in site visits to gain a better understanding of cleanup activities.
- Traveling to meetings and hearings directly related to the situation at the site.
- Participating in health and safety training.

The exhibit on page 7 suggests a number of points in the cleanup process when your technical advisor's involvement may be particularly useful. When you fill out the grant application, you will be asked to estimate the amount of document review time needed by your technical advisor. You are encouraged to discuss with your Regional TAG Coordinator projected tasks for your advisor and how these tasks may be affected by site-specific circumstances.

Eligible activities also include hiring someone with the necessary skills to help your group manage the grant (within the constraints of the 20 percent cap on administrative costs).

---

## **Exhibit**

### **Tasks for Which a Technical Advisor May Be Useful**

#### **Removal:**

- Reviewing public documents generated during the removal process.

#### **Preliminary Assessment/Site Inspection:**

- Reviewing Preliminary Assessment/Site Investigation (PA/SI) data that led to the site's listing.

#### **Remedial Investigation/Feasibility Study:**

- Participating in informal meetings with your group, prior to the Remedial Investigation/Feasibility Study (RI/FS), to explain what is known about the nature of the problems at the site based on the PA/SI data.
- Reviewing selected technical documents, including the RI/FS report, produced during the RI/FS.
- Participating in public meetings to help clarify information about site conditions and how the RI/FS will address these conditions.
- Interpreting results of the RI/FS report once it is available for public review. Explaining the range of alternatives under consideration. Identifying the differences among the remedial alternatives with respect to the group's preferences.
- Reviewing or assisting in preparing the group's public comments on the RI/FS report.
- Explaining the lead and supporting agencies' recommended remedial action (RA) presented in the proposed plan for the site.

#### **Remedial Design/Remedial Action:**

- Explaining the lead and supporting agencies' remedial action decision present in the Record of Decision (ROD) for the site.
- Reviewing the remedial design (RD) to ensure that your group's concerns are addressed.
- Visiting the site vicinity periodically during the RA, if possible, to observe the progress of construction activities and to provide a technical update to the group members.
- Reviewing the final inspection/certification report and final technical report because any concerns over construction activities must be raised prior to EPA's acceptance of the completed project.

#### **Operation and Maintenance:**

- Reviewing the operation and maintenance plan and close-out reports for the group.

### **Ineligible Activities**

Grant funds may **not** be used to finance the following activities:

- Political and lobbying activities.
- Any tuition or other expenses for group members to attend training, seminars, or courses.
- Generation of new primary data, such as well drilling and testing (including split sampling).
- Challenging final EPA decisions (such as RODs), unless EPA has formally reopened such a decision for comment.
- Any activities or expenditures for group members' travel.
- Litigation or underwriting legal actions, such as paying attorneys or technical advisors to participate in any legal action or proceeding regarding or affecting the site.
- Activities inconsistent with the cost principles stated in OMB Circular A-122, "Cost Principles for Non-Profit Organizations."

Although the above activities cannot be funded with TAG funds, members of your group may be able to undertake them by using other funds (so long as those funds are not used to meet the matching requirement).

### **Suitable grant administrator activities include:**

- Helping to prepare the "Solicitation" used to hire your advisor.
- Preparing solicitation packages for prospective contractors.
- Placing public notices.
- Preparing contracts.
- Preparing financial and progress reports.
- Preparing amendments and continuation applications.
- Tracking expenses.
- Submitting payment vouchers.
- Taking meeting notes.
- Acting as the group contact with the EPA Regional Office.

## **THE TAG APPLICATION**

The following discussion provides a basic orientation to the structure, organization, and timing of the application. In addition, it suggests steps you should take **before** filling out the application.

### **Overview of the Application Forms**

The application form required for the TAG Program is entitled, "Application for Federal Assistance" [EPA Standard Form (SF) 424]. As the name implies, it is a grant application form used for many grant programs besides the TAG Program. The basic application form consists of four parts:

- General Information, Signature, and Certification (SF 424).
- Budget Information (SF 424A).
- Assurances (SF 424B).
- Project Narrative Statement (Applicant Qualifications and the Statement of Work).

Your group also must complete a form entitled "Certification Regarding Debarment, Suspension, and Other Responsibility Matters" (EPA Form 5700-49) if you are applying for a grant of \$25,000 or more. This form represents your group's assurance that it has not been disqualified from engaging in transactions with the federal government.

To aid you in completing your application, step-by-step instructions and a sample version specific to the TAG Program are available along with the blank forms. If you have questions on the TAG Program requirements or how to complete the forms, contact your Regional TAG Coordinator.

#### **Consolidating**

If you are aware of other groups in your community planning to apply for a TAG at the same site, you are strongly encouraged to consolidate your groups and applications into one. If there is more than one qualified applicant and the groups cannot consolidate, EPA will award the grant to the single most appropriate applicant, based on EPA's evaluation of each application and any additional information requested from the groups. Everyone benefits if groups form a coalition that most broadly represents the affected community.

#### **Planning and Scheduling Activities**

Typically, a TAG is planned and awarded for a three-year budget period. However, the cleanup process at Superfund sites generally takes longer than three years. If you have funds left at the end of the first budget period and wish to continue your involvement at the site, you can submit a "continuation application" to EPA prior to the expiration of that period. If, however, at the end of the first budget period, your group is out of money and feels that it needs more money for informed participation in site-related issues, you can apply for additional funds.

#### **Getting Ready**

Before filling out a TAG application, you should contact the EPA Remedial Project Manager for the site to obtain information about the planned schedule for site activities. This information will help you plan the tasks you would like to have your technical advisor(s) perform. Keep in mind, however, that site activity schedules are subject to change.

**Only one TAG  
is available  
at each  
Superfund site**

## INTERGOVERNMENTAL REVIEW

All grants are subject to intergovernmental review. This means that, if the state requires it, you must provide it with an opportunity to review your grant application so that your Governor can stay informed about the variety of grants awarded within your state. State requirements regarding this review vary, so you should call your state's intergovernmental review contact to find out the procedure to follow. Typically, you will need to submit a copy of your grant application to that contact, who will distribute it to interested reviewers. Reviewers may or may not

**Determining state requirements should be one of the first things you do in preparing your application.**

ask you to make minor changes in your application if, for example, it affects state programs. Your Regional TAG Coordinator can give you the contact's name and telephone number for your state.

States may require up to 60 days for the intergovernmental review process. EPA cannot process your application package without evidence that you have submitted the application to the state reviewers, if necessary. EPA cannot award a grant

until the state has completed its intergovernmental review, as indicated in Item 16 of your application form.

## SUBMITTING YOUR GRANT APPLICATION

Completed grant application packages must be submitted to the EPA Regional Office overseeing cleanup activities at your site. You must submit the original application package and two copies. The primary application must have the original signature of your group's project manager (the person your group authorizes to certify your group's compliance with EPA's regulations).

EPA will review and evaluate each application received. You may be asked to revise your application to clarify certain information or to adequately demonstrate that you have complied with the regulations governing the TAG Program.

You should be aware that, in general, the information supplied by groups is **not** considered confidential. When EPA receives a grant application, the information on it becomes part of EPA's records and therefore is subject to public release under the Freedom of Information Act (5 U.S.C. 552).

## **EPA EVALUATION OF THE GRANT APPLICATION**

To ensure that grants are awarded to the applicants most directly affected by the site, EPA has developed a process to evaluate the strengths and weaknesses of your application. EPA will review and score your application using the five evaluation criteria listed below:

1. The presence of an actual or potential health threat posed to group members by the site. This criterion can be met by establishing a demonstrable threat to members' health or a reasonable belief that the site poses a substantial threat to their health. (30 points)
2. The applicant best represents groups and individuals affected by the site. (20 points)
3. The identification of how the group plans to use the services of a technical advisor throughout the Superfund response action. (20 points)
4. The demonstrated intention and ability of the applicant to inform others in the community of the information provided by the technical advisor. (20 points)
5. The presence of an actual or potential economic threat or threat of an impaired use or enjoyment of the environment to group members that is caused by the site. This criterion can be met by establishing a demonstrable economic or environmental threat to group members or a reasonable belief that the site poses a substantial economic or environmental threat. (10 points)

The "Project Narrative Statement" section of your application is where you will demonstrate that your group meets these criteria. You need only supply a paragraph to address each of the above criteria. If EPA receives competing applications for one site, it will rank each against all other applications submitted for that TAG. EPA may contact you for clarification or additional information.

## **EPA NOTIFICATION OF GRANT APPLICANTS**

EPA will evaluate your application within 30 days of its receipt. Once it has reviewed your completed application, EPA will send you a written notice telling you whether any additional information or clarification is needed. If your application has been approved, EPA's Award Official will prepare, sign, and return to you a grant agreement, which your group's project manager also must sign.

The grant agreement specifies TAG budget and project periods, the federal share of project costs, the matching funds that your group will contribute, a description of the work to be accomplished, and any special conditions of the project. Within three calendar weeks of receiving the

grant agreement, you must either sign and return the agreement to EPA or request that EPA extend the time for acceptance—otherwise, the grant agreement may become null and void.

## ACCEPTING A GRANT AGREEMENT

EPA will set aside federal funds for the amount stated in the grant agreement as soon as the Award Official signs the grant agreement. You may not incur any costs until you and the EPA Award Official have signed the grant agreement, with the exception of the cost of incorporation.

By signing and accepting a grant agreement, you are promising to comply with all terms and conditions of the grant agreement, including any special conditions necessary to assure compliance with applicable EPA state laws, regulations, and policies. You are responsible for efficiently and effectively managing the project, completing the project according to the schedule and within budget, and meeting all monitoring and reporting requirements.

**When you receive  
your grant, note  
carefully the:**

- Dollar amount awarded.
- Project period shown on the first page.
- Approved budget.
- Non-federal percentage shown.
- Special conditions that may be included.

The terms of the grant, as well as the workplan and budget contained in your approved application, are legally binding. They may be changed only through a formal grant amendment. Other items may be changed in consultation with EPA. Contact your Regional TAG Coordinator if you have any questions.

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## TAG APPLICATION CHECKLIST

- ☐ Submit a Letter of Intent (LOI).
- ☐ Read this booklet carefully.
- ☐ If your group knows of other groups planning to apply for a TAG at the site you are concerned about, try to form a coalition to submit one joint TAG application.
- ☐ If there is such a group, but you are unable to form a coalition, notify EPA that you will be submitting a separate application.
- ☐ Contact the appropriate state office to determine the intergovernmental review requirements for your state. **DO THIS EARLY.**
- ☐ Complete the grant application package:
  - The grant application form, "Application for Federal Assistance" (EPA Standard Forms 424, 424A, 424B, and the Project Narrative Statement).
  - Certification Regarding Debarment, Suspension, and Other Responsibility Matters," (EPA Form 5700-49), if your group seeks a grant of \$25,000 or more.
  - If you're applying for a waiver of the matching funds requirement, include the relevant information.
- ☐ Submit your application for intergovernmental review, if necessary.
- ☐ Send the original version and two copies of your completed and signed grant application to your EPA Regional Office while the intergovernmental review process is being completed.
- ☐ Upon notification that your group's application is approvable and prior to signing the grant agreement, file the appropriate documents for incorporation with the proper state agency, if you haven't done this already. Submit evidence that you have done so to EPA.
- ☐ Upon receipt of the grant agreement, sign and return it to EPA within three calendar weeks.

## NOTES

## GLOSSARY

NOTE: Underlined terms are defined elsewhere in the glossary.

**Amendment:**

See "Formal Amendment."

**Applicant:**

Any group of individuals that files an application for a Technical Assistance Grant (TAG).

**Application:**

A completed formal written request for a TAG that is submitted to EPA on EPA Standard Form 424, or to a state on its appropriate form.

**Award:**

The Technical Assistance Grant agreement signed by both EPA and the recipient.

**Award Official:**

The EPA official authorized to sign grant agreements.

**Budget:**

A financial plan for the spending of all federal and matching funds (including in-kind contributions) for a Technical Assistance Grant project, proposed by the applicant and approved by the Award Official.

**Budget Period:**

The length of time specified in a grant agreement during which the recipient may spend or obligate federal funds. The budget period may not exceed three years. A TAG project period may be comprised of several budget periods.

**Code of Federal Regulations (CFR):**

An annually revised modification of the rules published in the *Federal Register* by the executive departments and agencies of the federal government. The CFR is divided into 50 titles which represent broad areas subject to federal regulation. Actions by EPA are governed by Title 40 of the CFR.

**Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended:**

A federal law passed in 1980 and modified by the Superfund Amendments and Reauthorization Act of 1986 (SARA). Commonly known as Superfund, CERCLA is intended to protect human health and the environment.

**Continuation Application:**

Application for the extension of a grant agreement for an additional budget period beyond the date to which EPA agreed to fund a specific project. A continuation would be used at the end of each budget period; thus, several may be necessary for one project.

**Contract:**

A written agreement between the TAG recipient and another party (a contractor other than a public agency) for services or supplies necessary to complete the TAG project.

**Contractor:**

Any party (*i.e.*, technical advisor) to whom a recipient awards a contract.

**Debarment:**

An action taken by the Director, Grants Administration Division, U.S. EPA under federal regulations (40 CFR part 32) to deny an individual, organization, or unit of government the opportunity to participate in EPA grant agreements or to receive contracts.

**EPA:**

The U.S. Environmental Protection Agency. Where a state administers the Technical Assistance Grant Program, the term "EPA" may mean a state agency.

**EPA Regional Office:**

An EPA office located in one of the ten EPA Regions.

**Expenditure:**

The payment of a financial obligation, which involves issuing checks or spending cash. An example of an expenditure that might be made under a TAG would be paying a technical advisor for the time he/she spent reviewing a site feasibility study.

**Formal Amendment:**

A written modification of a grant agreement signed by both the award official and the authorized representative of the recipient.

**Grant Agreement:**

A legal document that transfers money to a recipient to accomplish the purpose of the Technical Assistance Grant project. It specifies budget and project periods, the federal and matching shares of eligible project costs, a description of the work to be accomplished, and any special conditions.

**Grant Administrator:**

A person hired by the recipient group to handle some or all of the tasks related to the administration of the TAG.

**Incorporation:**

To form a legal corporation. Incorporation protects the individual members of your group from potentially serious personal liability problems that could result if the grant is awarded to a group or organization that is not incorporated.

**In-Kind Contribution:**

The value of a non-cash contribution used to meet all or part of a recipient's matching funds requirement in accordance with 40 CFR 30.307(b). An in-kind contribution may consist of charges for equipment or the value of goods and services necessary to and directly benefiting the EPA-funded project and approved in your grant budget.

**Intergovernmental Review of Application:**

The applicant's state is provided the opportunity to review the grant application. This process is designed to inform appropriate state agencies about all applications for federal assistance funds that have been received from their jurisdiction.

**Letter of Intent (LOI):**

Letter used to advise EPA of a group's interest in applying for a TAG and to trigger EPA's formal process for notifying other interested parties that an application soon will be filed.

**Matching Funds:**

The portion of allowable project costs that a recipient must contribute toward completing the TAG project using in-kind contributions and/or cash contributions in non-federal funds (or federal funds, if expressly authorized by law).

**National Priorities List (NPL):**

EPA's list of the most serious hazardous waste sites identified for possible long-term remedial response. EPA is required to update the NPL and publish it in the Federal Register at least once a year.

**Nonprofit Organization:**

Any corporation, trust, association, cooperative, or other organization which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations.

**Operable Unit:**

A response action taken as one part of an overall site response. A number of operable units can be used in the course of a site response.

**Potentially Responsible Party (PRP):**

Any individual(s) or company(ies) (such as owners, operators, transporters, or generators) potentially responsible under sections 106 or 107 of CERCLA for the contamination problems at a Superfund site.

**Project Manager:**

The person legally authorized to obligate the organization to the terms and conditions of EPA's regulations and the grant agreement. This person or their designee will serve as the principal contact with EPA.

**Project Period:**

The period of time specified in the grant agreement for completion of all project work. It may be composed of more than one budget period.

**Recipient:**

Any group of individuals that has been awarded a TAG.

**Record of Decision (ROD):**

The document identifying and explaining the selected remediation for the contamination problem at a Superfund site.

**Regional Technical Assistance Grant (TAG) Coordinator:**

The official designated in the grant agreement as EPA's TAG Program contact with the recipient. TAG Project Officers are responsible for monitoring the project.

**Removal:**

An immediate action taken over the short-term to address a release or threatened release of hazardous substances.

**Response Action:**

All activities undertaken to address the problems created by hazardous substances at a site. It begins when EPA, other federal agencies, states, or PRPs set aside funds for these activities. The document that formally guarantees funding during the coming fiscal year is EPA's annual Superfund Comprehensive Accomplishments Plan (SCAP).

**Split Sampling:**

Sending a sample (soil, water, etc.) to multiple laboratories for concurrent, independent analysis.

**Superfund:**

The common name used for the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA). Superfund was established by CERCLA to help pay for the cleanup of hazardous waste sites and to take legal action to force those responsible for the sites to clean them up.

**Technical Advisor:**

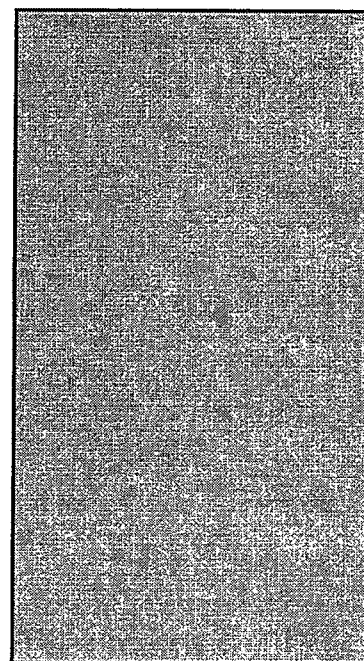
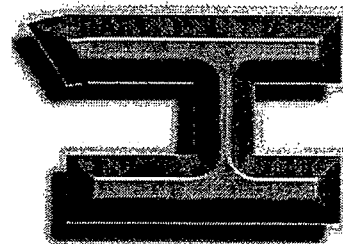
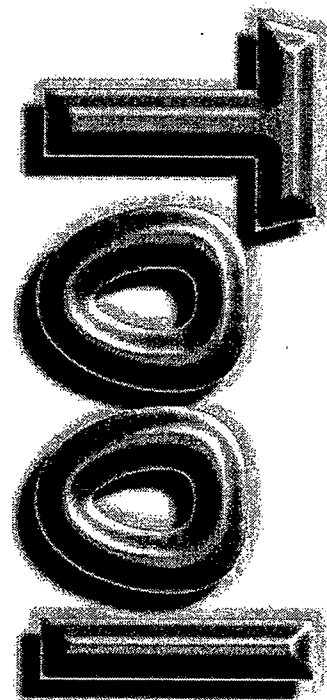
A person hired by a Technical Assistance Grant recipient to help affected groups and individuals interpret site-related documents regarding the nature of the hazard at the Superfund site for which the grant has been received.

**Technical Assistance Grant Project:**

The activities or tasks identified in the grant agreement that describe the technical assistance offered to the recipient.

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# Technical Outreach Services for Communities



-T001 H2-

## REGIONAL CONTACTS

### Northeast HSRC

Bill Librizzi

New Jersey Institute of Technology

Otto H. York CEES

138 Warren St.

Newark, NJ 07102

Phone: (201) 596-5846

### Great Plains/Rocky

### Mountains HSRC

Pat McDonald

Kansas State University

101 Ward Hall

Manhattan, KS 66506

Phone: (913) 532-7496

### Great Lakes/Mid-Atlantic HSRC

Kirk Riley

A-124 Research Complex-Engineering

Michigan State University

East Lansing, MI 48824

Phone: (517) 355-7493

### South/Southwest HSRC

John Nemeth

Environmental Science and Technology Program

Georgia Tech Research Institute

229 Baker Building

Atlanta, GA 30332

Phone: (404) 894-7428

### Western Region HSRC

Ken Williamson

Oregon State University

210 Strand Agriculture Hall

Corvallis, OR 97331-2302

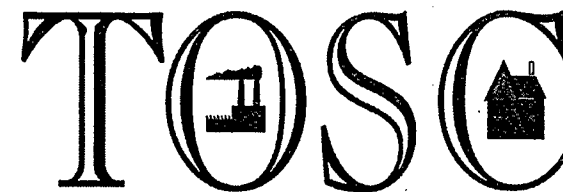
Phone: (541) 737-6836

## MISSION

*The mission of TOSC is to empower communities with an independent understanding of the underlying technical issues relating to hazardous substance contamination so that they may participate substantively in the decision-making process.*



TECHNICAL OUTREACH



SERVICES FOR COMMUNITIES

A service of the  
University-based  
Hazardous Substance  
Research Centers  
Program

*Providing  
independent  
scientific and  
technical assistance  
to communities  
dealing with  
hazardous  
substance  
contamination  
questions.*

## Who Are We?

The TOSC program is supported by the five Hazardous Substance Research Centers. Our centers are represented by experts in the fields of environmental science and engineering from twenty-nine of the nation's leading research universities. Collectively our centers service all of the United States and Puerto Rico. Our research develops new treatment methods for hazardous substances that threaten groundwater and environmental quality.

Through the TOSC program, we provide technical assistance to communities impacted by hazardous waste sites.



## What Can We Do?

*Answer questions about potential health effects and possible cleanup technologies for hazardous waste sites.*

*Assist your community to become active participants in the decision-making process involved in cleaning up hazardous environments.*

*Hold community workshops and provide educational material regarding human health, environmental risks, and regulatory concerns.*

*Help your community to better understand what clean-up options are available and their potential effectiveness.*

## Types of Services

TOSC provides your community the services you need to increase your involvement in the decision making process.

- ***Review of Technical Materials***

Reviewing and interpreting technical documents and other material relating to hazardous substances is a primary duty of TOSC.

- ***Education***

TOSC often offers seminars, courses, role-playing, and coaching workshops in order to educate communities on environmental science and policy issues.

- ***Community Organization Enhancement***

TOSC has been instrumental in strengthening community groups by training community leaders and facilitating meetings.

- ***Technical Assistance Tools***

TOSC has created educational and assistance materials which are useful to community groups fraught with complicated cleanup issues.